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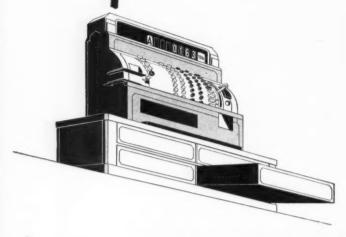
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THE NATIONAL UNDERWRITER. Published weekly by the National Underwriter Company, Office of Publication, 175 W. Jackson Blvd., Chicago, Ill., U.S.A. 58th year, No. 38, Thursday. September 23, 1954. \$7 per year (3 years, \$18); Canada, \$8 per year (3 years, \$21); Foreign, \$8.50 per year (3 years, \$22.50). 30 cents per copy. Entered as second-class matter April 25, 1931, at the post office at Chicago, Ill., under Act of March 31, 1879.

The NATIONAL UNDERWRITER

58th Year No. 38 September 23, 1954

The National Weekly Newspaper of Fire and Casualty Insurance

N. J. Agents Plan TV Program to Sell Services of Agent

H. G. Mather Elected President at Atlantic City Convention

ATLANTIC CITY-Plans for launching a TV program to sell the import-

ance of agent service and counteract the inroads of direct writers were developed at the annual convention here of New Jersey Assn. of Insurance Agents. The idea of such a program was adopted unanimously by the convention. A referendum be taken



among members to authorize the expenditure involved, which is estimated at about \$20 per member for a minimum 15-minute weekly program for 13

It was indicated that Eastern Agents Conference may join New Jersey in

the TV plan.

Harry G. Mather, Trenton, was elected president, succeeding Sol S. Holland, Orange; John S. Sheiry, Bridgewas named chairman of the executive committee, and H. Earl Munz, Paterson, was renamed state national director. Elected to the executive committee were Alan H. Miller, Hackensack; Henry A. Franz, Clifton; Frederick S. Hyers, Morristown; N. E. Smalley, Plainfield; Milton H. Grannatt, Jr., Trenton, Samuel R. Worthington, Camden, and Frank J. Siracusa, Atlantic City.

Mr. Holland reported membership at a new high of 1,507 members, 850 of whom attended the two-day convention for a new record. Among the features of Mr. Holland's term were six forums last April 15.

Roy H. MacBean of Cranford, past president, said the casualty, auto and allied lines committee, has investigated the possibility of a commission on workmen's compensation assigned risks and continues to explore the situation. At present some states allow such a commission. New Jersey agents who oppose such action will be heard before final action is taken. He cited the association's part in the decision of National Bureau not to revise the production cost allowance in BI and PDL

Mr. Worthington urged adoption of a dues increase in his report as chairman of the finance committee. The increase, amounting to a flat \$5 raise for all classes, will be necessary to avoid a deficit and continue properly the activities of the committees, particularly in beginning a publicity campaign to meet the threat of direct (CONTINUED ON PAGE 35)

GOP in N. Y. to Have Big Drop in Fire Compulsory Plank The New York Republican state con-

vention at Syracuse this week was expected to vote for including in the piatform an endorsement of compulsory automobile liability insurance in some form. Since Governor Dewey started his fight two sessions ago to get through a compulsory law, many in the party including a considerable number of Republican legislators opposed him on the issue, at least the specific details of the legislation he advocated. This opposition has been particularly strong upstate.

However, as predicted in the Sept. 9 issue of The National Underwriter, the fact that Dewey is not a candidate for reelection is not going to lessen substantially the political agitation for compulsory. This is understood to be the first time compulsory will be a plank in the platform of the GOP in the state, and this action, if it occurs as expected, may influence the Democrats to put a similar, perhaps stronger, plank in their platform.

Joseph P. Craugh of Utica Mutual, representing New York State Assn. of Mutual Casualty Cos., discussed the problem of the financially irresponsible motorist and how to solve it, before the GOP platform committee. He recommended broadening the present safety responsibility law to require proof of financial responsibility at all times, not, as at present, only after an accident. He suggested imposition of fines of up to \$1,000 and jail sentences up to one year for noncompliance.

There was some indication that the compulsory plank would be general enough to satisfy those Republicans who opposed the details of Dewey's legislation and leave the candidate for governor, Senator Ives, uncommitted as to method of solving the problem.

Losses in August

Fire losses in the U.S. in August amounted to \$78,163,000, according to National Board.

This was a decrease of 27.4% from losses in August, 1953, and an increase of 12.4% over losses of \$69,532,000 for July, 1954. It was in August, 1953 that the \$33 million loss of the General Motors plant at Livonia, Mich. occurred.

Losses for the first eight months of 1954 now total \$603,685,000, a decrease of 1.8% from the first eight months of

Losses for the first eight months of 1954 and the two preceding years

1954	1953	1952
86,493,000	76,659,000	74,155,000
78,928,000	72,706,000	69,925,000
84,821,000	83,471,000	72,254,000
77,933,000	67,362,000	67,380,000
62,282,000	64,239,000	62,354,000
65,533,000	67,644,000	58,585,000
69,532,000	74,938,000	61,675,000
78,163,000	107,713,000	56,462,000
603,685,000	614,732,000	522,790,000
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Sun Field Men in West Hold Rally at Chicago

Field men in the western depart-ment of Sun attended the annual field

ment of Sun attended the annual field meeting at Chicago this month. There were about 30 on hand, including G. L. Parker, assistant U. S. manager. This was a one-day affair climaxed by a banquet of the Silver Sons, the 25-year club. Three new members were taken in, Robert L. Bolling, Missouri state agent, Russell H. White Tennesse state agent and Clarice.

souri state agent, Russell H. White, Tennessee state agent, and Clarence Peterson, Chicago cashier.

Two of the veterans were given special honor at the dinner on the eve of their retirement. They are Carl R. Lill, Minnesota state agent, and Otto P. Sachs, state agent in Ohio and West Virginia, both of whom are retiring Oct 1

Charles Bardessono Is New President of Minnesota Agents

Roy Davis, Robert Maxwell and Commissioner Sheehan Are Program Headliners

Charles A. Bardessono of Hibbing was elected president of Minnesota Assn. of Insurance Agents at the annual meeting last week at Duluth. He succeeds Loren D. Capretz of Austin. Cecil W. Berkner of Sleepy Eye was





elected chairman of the executive committee, and Le Roy D. Engberg, St. Paul, was reelected state national director.

Kenneth G. Kaufmann and Edward Bachman of St. Paul; John Oliphant, Rochester; D. W. Johnson, Minneapolis; Robert T. Quackenbush, Windom; R. W. Hood and Gilbert Buffington, Duluth; Donald C. Darby, Fergus Falls, and Mr. Capretz were named to the executive committee. George W. Blomgren of Minneapolis was reelected secretary-treasurer.

The association voted a new dues schedule and decided to continue holding two meetings a year, the annual meeting in the early fall and the mid vear in the spring.

Commissioner Cyril Sheehan made two talks at the convention, and was warmly greeted. He also installed the new officers.

In a resolution, the association commended the Stillwater Gazette for refusing to accept advertising from unlicensed insurers. The newspaper took this stand about two weeks ago and ran an editorial pointing out to the public that the department has no jurisdiction over unlicensed companies and the paper would not be a part of this type of selling. "This kind of warning is certainly in the public interest and worthy of duplication by other Minnesota publications," the resolution said.

At least one representative of a local agency should call on every person in America who either gets married, buys home, or buys a car.

Robert Maxwell, Texarkana, Ark., member of the executive committee of National Assn. of Insurance Agents set this as the goal for all agents who up-

(CONTINUED ON PAGE 34)

Late News Bulletins . . .

N. D. Agents to Oppose Sask. Insurer

Vigorous opposition to the entrance in the state of Saskatchewan Guarantee & Fidelity was voted by North Dakota Assn. of Insurance Agents at their annual meeting at Minot. The company's application for license is in the hands of Commissioner Jensen, and the agents object to its socialist background. Evan Lipps, agent and mayor of Bismarck, was elected the new president to succeed James W. Purdon of Lisbon. Hugh Nichols of Oakes was named vice-president, and Charles Dawson of Fargo was reelected state national director. In a resolution, the association commended the members of North Dakota Fire Underwriters Assn. for their educational district meetings this spring and voted to sponsor such meetings next year.

\$417,000 Overdrafts in Small Bank; Bond \$50,000

The bank of Whitesville, Ky., near Owensboro, in a community of around 750 persons, has been closed, with a shortage of \$417,000. There is a \$50,000 bond on Bernard Barrett, cashier, who claims that he let a lot of depositors overdraw their accounts, and personally did not profit. Barrett contended that he had merely been in the habit of holding checks for different people, and had no idea that the amount was so large, but he had also done some falsifying

New La. Fire Rate Schedules Effect Decreases

New dwelling and mercantile rating schedules have been approved in Louisiana. The state now will use the National Board system of classifications for

(CONTINUED ON PAGE 36)

Knowlton Seeks Aid from Agents on All-Risk Problem

Keating Heads N. H. Agents; **DeMeritt Raps Hurricane Adjustment Procedures**

Donald Knowlton, president of the National Assn. of Insurance Commis-



Hampshire commissioner. told New Hampshire of Insurance Agents at the annual meeting at Sugar Hill, N. H. that a controversial point has been raised in his department's study of an all-risk dwelling policy. In studying three

forms, the point was raised whether the 10% coverage on outside structures was in conflict with the state's valued policy law.

Three methods have been suggested as possible solutions to this probable conflict: Insert in the policy, by endorsement, a waiver of the valued policy law as to the 10% outside coverage; leave out the 10% coverage entirely, or schedule outside structures and eliminate the 10%.

The commissioner said the board is not pressing for any immediate solution, but that he would accept guidance from the agents.

At the end of the convention T. Winston Keating of Claremont was elected president. Other officers are Edward Robinson of Lancaster, and Bernard Boutin of Laconia, vice-presidents; Frederic Burns of Manchester, state national director; Charles E. Bilodeau of Berlin, Eugene Soles of Portsmouth. Seth Lamson of New London, C. Wellington Clark of Keene, William N. Kennett of Rochester, and John W. De-Merritt, of Exeter, directors.

Mr. Keating was on the Claremont's finance committee in 1943. He has been director of the association's regional educational schools as well as serving two years as vice-president.

After briefly reviewing the work of the commissioners' association, Mr. Knowlton sketched the Washington scene as it affects insurance; the growing tendency of the government to enter the business, investigation by the federal trade commission, and probes being conducted by the Langer committee. The Langer committee must be watched or insurance in general will also be investigated he warned. Private business should be permitted to handle all phases of insurance it can handle. He believes that such investigations are caused by pressure of public opinion and, he said, NAIC is trying to relieve the pressure of these complaints.

Mr. Knowlton said he couldn't give a satisfactory answer to agents' problems with specialty companies, partly because the problem is not one for a supervisory official and partly because there is no satisfactory answer. The public is becoming more and more price conscious and will become increasingly so as the volume of adver-

tising put out by the specialty companies grows. Price appeal is hard for the public to resist.

There is an increasing tendency on the part of mutual companies to omit dividends and make a corresponding reduction in price. This he believes is done on the theory that a lower price tag on the policy when sold is more attractive than dividends expected at the end of the term. But, he pointed out, deviations must be supported upon something more than the mere hope that earnings will be sufficient to permit a return to policyholders.

Mr. Knowlton said he was aware that one suggested method of competing with specialty companies is to bring costs down to a point where the price spread is not too great. There are many methods of doing this, such as reduction in cost of administration, reduction in the acquisition cost, direct billing by the companies, the use of continuous policies and the requirement for cash payment in advance on a six-months' basis. A narrowing of the price differential is one solution, he suggested, that agents and companies get together to explore the possibilities of reducing the price differential.

It will be hard to convince the priceconscious buyer that agency service, and its higher cost, is worth the difference in price, but those who have had losses will be able to answer this question favorably. A possible solution to this is helping the buyer select the proper type of coverage to meet his needs, and the proper policy limits. With multiple peril policies available, insured should be advised what to buy and how much to buy by a person who has a thorough knowledge of the provisions of these policies.

Mr. Keating urged support of the agency system in his address at the annual banquet. He warned that agents will continue to see more and varied approaches to the buying public in the merchandising of insurance entirely contrary to the principles of the agency system.

Mr. Keating said he felt the answer lies in the way agents and companies carry out the responsibilities they have elected to accept. It is the duty of company and agents to understand each other's interrelated problems and serve together for a common cause. Agents should start immediately to think in terms of people and not paper transactions. They must rekindle the personal touch with each of their customers so that they will look to them personally for insurance advice.

He also supported a continued program of education and public relations to assist the buying public in understanding and benefiting from the

agency system.
Arthur M. O'Connell, Cincinnati, chairman of the property insurance committee of the National association, decried the manner in which insurance companies' newspaper and magazine advertising ignores the problems of the

Bert C. Goss, executive vice-president of Hill & Knowlton, Inc., New York public relations counselors, said that there is no doubt that PR is of major importance to insurance as a whole and to the agent in particular. The business has several valuable assets including acceptance and understanding of insurance by the public and the agency system which provides a priceless grass roots of public opin-

(CONTINUED ON PAGE 85)

Ohio Agents to Plug for Multiple Line Law

Ohio Assn. of Insurance Agents will cooperate with other organizations in support of a multiple line bill in the next legislative session. The trustees at their meeting in Columbus this week authorized their general counsel to confer with other groups to draft a bill. The agents, however, do not want any diminution of the quality of the agency licensing law to come about because of passage of a multiple line bill, and will bend every effort to see that it does not.

Trustees met a week after the meet-ing in Columbus between the Ohio agents legislative study committee and committee of company men and agents favoring multiple line legislation headed by C. D. McVay, president of Ohio Farmers.

The legislative study committee said would be continued effort this year for a competitive workmen's compensation bill. Committee chairman Hugh Dawson said studies indicate that the insurers were charged a lesser rate than most industries pay

in the monopolistic fund

Michigan 1752 Club has organized a speakers bureau with the aim of supplying, at agents' request, interesting speakers for civic organizations.

Highlights of the Week's News

Pennsylvania agents deal with a variety of

problems at annual convention at Philadelphia hicago adjusters hear highlights of a plan to attack Cook county's circuit court backlog with mass pre-trials Panel on loss adjustments at Philadelphia con-first decade under clause is covered in report to bar associaPage 25 Fidelity & Deposit makes several Pacific association at Salt Lake meeting ...Page 8 ...Page 12 Industry and labor are setting the guide for A & H, Ford tells hospital to write casualty business, with Gerald Heath as casualty manager
Unnecessary hospital use is hit by
igan doctor as biggest factor i ...Page 10 America Fore changes six in field, staff as Scott King retires Page 7

Program is about ready for National Assn. of Independent Insurers at St. Louis, Oct. ...Page Michigan Agents elect Van Kuiken president at Grand Rapids convention Page 15 Superintendent Bohlinger of New York to ask power to regulate union welfare funds South Bend-Mishawaka I-Day card draws large crowd to Notre Dame campus Pratt heads Commercial Travelers Federa Saskatchewan government insurer is making itself felt in U. S.Page 11 Expect Western Underwriters association vention at White Sulpher Springs to draw record attendance Page 23 Suit dismissed; Empiro OK'd in Washing-Central Standard Life forms \$1 million nesota agents Page 1
New Jersey agents plan TV promotions at Atlantic City rally Page 1
New York Republicans to have compulsory plank Page 1
Big drop in fire losses in August, according to
National Board Page 1
Knowiton seeks agents' aid on all-risk problem nowlton seeks agents are read at New Hampshire meeting Page

Page

Page Page 2 e line Ohio Montana agents elect Carroll president

Montana Agents Elect Carroll

Charles J. Carroll of Billings was elected the new president of Montana Assn. of Insurance Agents last week at the annual meeting in Bozeman to succeed John G. Liggett of Roundup. Other officers include Don Burns, Helena, vice-president, and William F. Olsen, Choteau, secretary-treasurer The agents voted to hold the 1955 convention Sept. 11-13 at Billings.

Speakers on the program were Willard D. Frampton, assistant secretary of Great American at San Francisco; President E. J. Seymour of the National association; R. B. Masters, U. S. manager of New Zeland, and Joseph F. Leopold, National Associated Business Men. Inc. of Dallas.

There were 216 attending.

Pratt Heads Commercial Travelers Federation

International Federation of Commercial Travelers Insurance Organizations, at its annual meeting in Swampscott, Mass., elected R. Travelers Health Assn., Omaha, president: Edward Trevvett of Commercial Travelers Mutual Accident Assn., Utica, N. Y., vice-president; John W. Whittemore of Eastern Commercial Travelers A&H Assn., Boston, secretary; and Frederick A. Nichols of Connecticut Commercial Travelers Mutual A&H Assn., New Haven, chairman of the executive committee.

Dutton Stahl of Iowa State Traveling Men's Assn., Des Moines, talked on "The Evolution of Advertising A&H Insurance"; D. W. Dillon of United Commercial Travelers of Columbus, O., discussed current insurance problems and possible solutions, dealing principally with the insurance on those of advanced age. Moses G. Hubbard, general counsel, Utica, gave a talk on federal legislation as it pertains to the A&H industry. He emphasized that he feels the A&H business is adequately supervised by the states.

Robert W. Schooley of Allan Commercial Service, New York City, talked on "Men Who Die In Vain." This subject pertained to suicide and how futile this means of collecting accident insurance proved to be. John F. Cox of Illinois Commercial Men's Assn., Chicago, reviewed some unusual aspects of claims.

Tracey E. Herrick, attorney of Cleveland, discussed the problems of a retired man who is still active in mind and body and how difficult it is for him to adjust himself. Maurice F. Brennan, Illinois Traveling Men's Health Assn., Chicago, pointed out the necessity of modern accounting systems and Robert E. Eckman of the Dickie-Raymond Advertising Agency. Boston, talked on mail order insurance.

The 1955 meeting will be held at Sun Valley, Ida. Sept. 5-7.

Arson Charge Leads to Receivership for Trucker

Tennessee Motor Truck Lines, owned by Jesse Wilson, who is charged with being responsible for the burning of his own truck terminal and is in jail unable to make \$60,000 bond, has been ordered placed in receivership and sold. A general creditors' bill has been filed by three Nashville a Bransford, Sharp & Co., in the agencies of \$5,027, Zander Ins. Co., \$26,841; and capitol Ins. Agency, \$552. A receiver will continue operation of the business to maintain its value.

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Program for NAII Annual at St. Louis Is Announced

The program for the annual meeting of National Assn. of Independent Insurers at St. Louis Oct. 25-27 has been nearly completed. This is a joint meeting with Independent Statistical Service, and headquarters will be the Chase-Park Plaza hotels. Governor Phil M. Donnelly of Missouri is scheduled to address the luncheon meeting the opening day, Oct. 25. He will be introduced by Missouri Superintendent C. Lawrence Leggett, vice-president of National Assn. of Insurance Commissioners.

Speaker for the luncheon on Oct. 26, is Maj. Gen. H. L. Boatner, deputy army commander of fourth army, Fort Sam Houston, Tex., whose topic is "Geopolitics in the Far East." He will be introduced by Charles E. Cheever, secretary-treasurer and general manager of United Services Automobile of San Antonio, who is a retired army colonel.

Donald Knowlton of New Hamp-shire, president of NAIC, will address the opening session Oct. 25. There will be two other commissioners on the platform, Garland A. Smith, life commissioner and chairman of the Texas board, who will speak the morning of Oct. 26 on "Facts about the Texas Sit-uation," and Robert B. Taylor of Oregon, chairman of the NAIC executive committee, on "Let's Not Be Too In-dependent."

The NAII program emphasizes traffic safety questions, and the entire after-noon of Oct. 26 is given to this sub-ject. Leading off will be Rear Adm. H. B. Miller, who is director of the President's action committee for traffic safety. Karl M. Richards, manager of the field services department of Automobile Manufacturers Assn. of De-troit, will speak on "The Highway;" Howard K. Gandelot, vehicle safety engineer of General Motors Technical Center of Detroit, on "The Vehicle," and John J. Cummings, director of transportation research section of Au-tomobile Manufacturers Assn., on "The Driver." Winding up that session will be F. M. Kreml, director of the traffic institute of Northwestern University, "The Crying Needs in Traffic Safety!"

At the opening session, Charles M. Fish, vice-president of Freeport Motor Casualty, will give the NAII presidential address. That afternoon there is to be a panel discussion on unsatisfied judgment coverage, the participants being Walter Dressel, executive vice-president of Motorists Mutual; W. A. Brooks, vice-president of Oregon Automobile; Paul R. Erickson, gen-eral counsel of Detroit Automobile Inter-Insurance Exchange; Clyde Cecil, manager of Colorado Farm Mutual Casualty, and K. M. Hough, vice-president of Anchor Casualty. This panel

Opens Forms Office in Tex.

Uniform Printing & Supply is opening an imprinting and distributing plant at Jacksonville, Tex., and a sales office at Dallas. Joe M. Hill, who has extensive experience in the insurance forms business, will head the sales of-

The new facilities will enable the firm to make overnight deliveries of policies and forms to southwestern fire and casualty agents of companies which utilize its services.

will go into the matter of the purpose

Those taking part include Bernard R. Stone, former Nebraska director now an Omaha lawyer, speaking on "Rate Making vs. Rate Regulation," and Eugene Dougherty, insurance manager of Anheuser-Busch, on "Rate Regulation—The Buyer's Interest." At that session, Vestal Lemon, will give his session, Vestal Lemon will give his report as general manager of NAII.

advantages.

The morning of Oct. 26, there will be a discussion of rate regulation.

Those taking part include Bernard R.

Stone, former Nebraska director. ment, will talk on "Progress Stifled by Incorrect and Unfair Accounting Methods." Then there will be a panel discussion on reporting procedures, analysis of automobile experience, fire and allied lines and crop-hail.

At the claims meeting, Henry Paul-

The morning of Oct. 27, there will be simultaneous meetings of the statistical group and the claims group. At the statistical meeting, J. F. Gill, actuary of NAII, will report on ISS operations. Albert Burger, insurance consultant of St. Paul and former chief examiner of the Minnesota department, will talk on "Progress Stifled by Incorrect and Unfair Accounting general session featuring Raymond T. general session featuring Raymond T. Smith, vice-president of Alfred M. Best Co., on "Insurance Investments" and a report on the U. S. Chamber of Com-merce by Fenton A. S. Gentry, president of Southern Fire & Casualty.



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that same man, your Home Insurance agent, can also help you to eliminate trouble spots. He has over a hundred years of Home Insurance experience behind him. He knows what causes fire and other hazards—and how to stop them.

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Then, like thousands of other businessmen who have done this, you'll have a better, safer business.

You can insure income, too.

Ask your Home agent about the new Earnings Insurance, which provides that your income will continue if your business is closed as a result of fire, windstorm or any other peril covered by

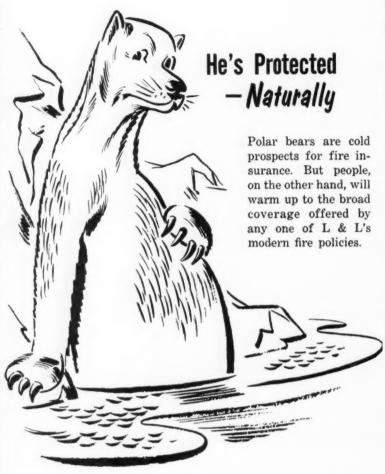




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LONDON & LANCASHIRE INDEMNITY COMPANY OF AMERICA

Bohlinger to Ask Power to Regulate Union Welfare Funds

NEW YORK—The New York insurance department concluded its hearings on union welfare funds after developing substantial testimony on irregularities in their management. The results will probably lead to legislation giving the department supervision over such funds.

Superintendent Bohlinger has said the department would urge the legislature in January to make it mandatory for all funds to publish annual statements and to authorize the department to examine the funds periodically. There may also be recommendations for broader supervision of the funds. As the legislation now stands, the department has the power to investigate and bring mishandling of union welfare funds to public attention, but at present it has no power to do anything about irregularities.

As a result of the hearings, Walter P. Reuther, president of the CIO, ordered five of his unions to clean up the welfare funds or be expelled from the organization. Max Greenberg, president of the Retail, Wholesale and Department Store union, suspended six local officials who had admitted using welfare money to provide themselves salaries, offices, automobiles, vacations and other special benefits.

Meanwhile a dual congressional investigation was put into effect with Sen. Ives, of New York, as chairman of the Senate probe and Rep. McConnell of Pennsylvania as head of a similar committee in the House. The effort will be nation-wide and Sen. Ives has reported that both Mr. Reuther and George Meany, president of the AFL, have promised full cooperation with the committees.

The New York insurance department, however, will pursue its own course in the investigations irrespective of what the congressional committees do. Its investigation is continuing.

In bringing to light the mishandling of the funds, the department found one (CONTINUED ON PAGE 27)

So. Bend-Mishawaka I-Day Card Draws Large Attendance

More than 150 agents and company men attended the annual South Bend-Mishawaka Insurance Day, held on the University of Notre Dame campus.

Speakers were Stephen Chandler, secretary of Phoenix of Connecticut; E. E. McLaren of Barton, Curle & McLaren, Indianapolis, president of Indiana Assn. of Insurance Agents; Kenneth B. Scott, marine superintendent of Boston at Joliet, Ill., and Dr. Earl P. Tregilgus of Indiana University.

Noting that a recent analysis of agencies indicated a profit range from 30% to 71%, Mr. Chandler said the income of many agencies can be boosted through adoption of efficient office procedures. He discussed various short cuts that would help agencies increase income.

Mr. McLaren stressed that compulsory automobile insurance is not a solution for the problem of the uncompensated accident victim. Pointing out that Massachusetts is the only state with such a law, he presented statistics showing the cost there is greater than in those areas in which financial responsibility laws are operating effectively. He added that presently there does not appear to be a satisfactory solution to the problem. Several companies are now writing an unsatisfied judgment endorsement to cover this type of loss, but as yet there has not been sufficient experience to indicate its value, he said.

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Describing the cargo insurance field as an untapped market, Mr. Scott explained that despite the increasing number of trucks on the road there has net been a proportionate gain in cargo premiums. Continually enhancing this market, he said, are the increasing number of toll roads under construction. Dr. Tregilgus emphasized that public relations must not be confined to customers alone, but must be practiced in personnel management if an agency is to be successful.

William Fox, I-day chairman, and H. Ray Walker presided at the sessions.

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Two of the Tinest



Attending South Bend - Mishawaka Insurance Day are, background from left. William Fox, committee chairman; Harry E. Mc-Clain, executive secretary of the Indiana association; Edson R. Jaques, president of the South Bend-Mishawaka association; E. E. Mc-Laren. Indiana association president and, foreground, H. Ray Walker, I-Day committee member.

Des Moines, Iowa

America Fore Changes Six in Staff, Field as Scott King Retires

Secretary J. Scott King of America Fore will retire at the end of the year after 51 years with the group. Secretary Victor Kurbyweit will

Secretary Victor Kurbyweit will take over supervision of the group's fire companies in Delaware, Maryland.



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Victor Kurbyweit



John T. Horan

New Jersey, West Virginia, Pennsylvania and the District of Columbia, which has been Mr. King's territory.

The portion of New York state now supervised by Mr. Kurbyweit will come under the supervision of Secretary John T. Horan. He will also continue to supervise New England and Long Island with W. H. McKay and



Walter D. Sheldon



H. W. Kohler

Thomas E. O'Brien, assistant secretaries.

H. W. Kohler, assistant secretary, will assist Mr. Kurbyweit in his new assignment.

Walter D. Sheldon, who has been manager of the Niagara office at Newark, will go to the home office to become agency superintendent with Mr. Kurbyweit.

Robert J. Laier, state agent of American Eagle in northern New Jersey, has been appointed manager at Newark, and State Agent Russell H. Steele will replace Mr. Laier in addition to his present assignment as field man of Niagara in northern New Jersey. State Agent Paul L. Thompson continues in that capacity for Continental and Fidelity-Phenix in northern New Jersey.

Mr. King joined Niagara in 1903 and

Virginia Surety Names General Agent for West

Hansen & Rowland agency of Tacoma, has been named general agent for Virginia Surety, in Washington, Oregon, Idaho, Montana, Arizona, Utah, Nevada and, when the license is approved, Alaska. The agency already had represented the company in California.

Hansen & Rowland is also general agent for Buffalo, Old Colony, Maryland Casualty and Seaboard Surety..

Walter C. Howe, Jr., vice-president of Johnson & Higgins, New York, has been elected vice-president of Johnson & Higgins of Illinois, with headquarters in Chicago.

during his career has held many important positions in the organization and was a field man in New York and New Jersey. He became assistant secretary in 1924 and secretary of all the fire companies in the group in 1935. The greater portion of his career has been in supervising the Middle Department territory.

Mr. Kurbywen began his career with the schedule rating office at Newark in 1913 and he joined America Fore in 1920 as an inspector in the engineering department. Later he did

engineering work in Philadelphia. He became a special agent in Maryland and Delaware in 1929 and was named secretary of all America Fore fire companies in 1951.

Mr. Sheldon started with the Newark Niagara office in 1924 and after holding various positions there became a special agent and engineer in 1936. He became assistant manager at Newark in 1943 and manager in 1947.

Mr. Laier has been in New Jersey field work for 20 years. Previously he was at the head office as examiner

for central New Jersey. Mr. Steele joined America Fore in 1920 in the engineering department. In 1928 he was placed in charge of New Jersey field for the engineering department and he became special agent in 1938 and later state agent.

Mr. Thompson joined the group in 1928 as special agent of Fidelity-Phenix in northern New Jersey and became state agent in the same territory in 1935. His responsibilities were expanded to include supervision as state agent of Continental in 1951.

protects its property *Quitomatically*....
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After trying other methods of safeguarding their premises, the Thermac Company, a Los Angeles concern specializing in general machine work and manufacture of gas furnace shut-off valves, found that they could get better protection at lower cost by a combination of ADT Aero Automatic Fire Alarm and ADT Burglar Alarm Services.

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Whether your premises are new or old, sprinklered or unsprinklered, the appropriate ADT Fire Alarm Service will detect fire and summon the fire department automatically. To guard against burglary or intrusion, ADT Burglar Alarm Service detects the attack and automatically notifies police or other protective forces. ADT Heating and Industrial Process Supervisory Service maintains a constant automatic check on heating plants and certain manufacturing operations to detect and report abnormal conditions.

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C. S. Eubank Named **New President of Utah Association**

Charles S. Eubank of Ogden was elected president of Utah Assn. of Insurance Agents at a meeting of the directors following the annual conven-tion in Salt Lake last week. Mr. Eubank succeeds George R. McClure of Salt Lake.

Ray E. Carr of Richfield was named vice-president and Fred S. Thomas was reelected secretary-treasurer for another year. Ralph D. Callister was renamed state national director for another term.

The association adopted a resolution calling for denial of license in Utah to any insurer which is owned, operated or controlled by an alien government. This was directed particularly at an anticipated application for license by Sascatchewan Guarantee & Fidelity.

Another key resolution called for sufficient funds to be granted the insurance department to bring about proper enforcement of the existing insurance code.

An innovation at the convention was breakfast for conventioneers and their wives sponsored by Insurance Co. of Texas

At the past president's luncheon Dr. ElRoy P. Nelson, economic researcher for First Security Corp. of Utah, spoke



George R. McClure, left, outgoing president, congratulates Charles S. Eubank, the new president, during the annual meeting of the Utah agents at Salt Lake City

on economic trends in the west. He pointed out that generally the business outlook for the immediate future was

At the Tuesday morning session, Gordon Linke, marine representative of Automobile at San Francisco, spoke on marine matters. He pointed out that relative to all insurance nationwide, about 20% is in marine lines while in the mountain west only about 10% is marine. He called this a challenge to the producers. Following a tomato juice break sponsored by Home of New York, Joseph F. Morrison, vicepresident of Industrial Indemnity addressed the group. He called for cooperation between companies and agents, better servicing, and aggressive selection of weapons of battle and field of battle to solve the problem of direct writer competition. Afterward Chris Zacher, of the Phoenix-Connecticut group, spoke on accounting systems and records which are designed to provide necessary information when needed but which don't get the agent himself bogged down in office routine but let him spend most of his time in the field servicing established lines and developing new business.

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Panel on Losses Deals with Situations Which Often Prove Troublesome to Agents

PHILADELPHIA-One feature of enhance the value of an automobile. the convention of Pennsylvania Assn. of Insurance Agents here was the panel on adjustment of losses. J. Carroll Goodman of Hutchinson, Rivinus & Co., Philadelphia, was moderator. Participants were R. L. Cobleigh, manager of the automobile division of General Adjustment Bureau, New York; Clifford E. Kolb, general adjuster of Home, Philadelphia; George Y. Park of Wm. E. Miller & Son, Philadelphia, and A. Addison Roberts, vicepresident of Fire Association.

Automobile physical damage losses which occur at a distance from the home of agent and insured are apt to produce dissatisfaction. What would be a good procedure for handling

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Mr. Cobleigh said this is a troublesome type of loss. The policyholder may be on vacation. If he is a salesman or a professional man, he is apt to have an accident away from home at a place where he is not too well acquainted. There is need for immediate service. The policyholder first gets in touch with his agent, who notifies the company and GAB gets the word. The information furnished may be incorrect, the policyholder is not at the hotel where it was said he was, the automobile may not be in the garage indicated. It is important for prompt service to have this early information correct.

It is very important when the adjuster contacts insured that the latter accompany the adjuster to the garage and that the estimate be prepared in the presence of the owner and repairman. Under these circumstances insured will know what work is necessary to get the car back in good shape. The adjuster also likes to have insured at the repair shop with the adjuster to go over the finished job.

GAB watches for good workmanship in these cases particularly. Insured may be short of money and settle for less than a good job. The lien holder may become involved. An adjuster doesn't want to have to review the damage later on and put through another settlement at a higher figure because the work wasn't done prop-

erly to start with.

The agent can help expedite the adjustment to satisfactory conclusion if he asks insured to cooperate with the adjuster. Proper handling of such claims will eliminate quite a few complaints, he said.

Mr. Roberts commented that the adjuster has to handle the loss speedily—the man wants to get home; the adjuster needs to steer insured to a good repair shop where the work will be done properly-companies have had a lot of complaints from this source, and the agent has the responsibility of performing a real service by providing a helping hand at a troublesome

Insured has a \$50 deductible collision policy on a 1941 Ford sedan valued at \$135 in the Red Book and the car sustains damage of more than \$200. However, the car had a new motor. Does this enhance the value of the automobile, or should the Red Book value be applied?

Mr. Cobleigh said that any market publication giving automobile values is merely a guide. Adjusters verify values in any locality by checking with local dealers. The new engine does

Another question was, should the agent participate in auto PHD losses. Mr. Roberts said that many companies allow the settlement of losses up to \$100 because of the saving in cost of handling. However, on automobile PHD claims where there is a deductible involved with respect to collision, companies have felt they wanted an

adjuster to look at the damage and handle the loss because the adjuster is better trained to measure such damage than the agent. It is in connection with such losses that companies feel agents are better off not to engage in adjustments because of technicalities

Another question was why first rate insurers require automobiles to be

sent to fourth rate repair shops.

Mr. Roberts said he did not know that this was the case. Sometimes an adjuster in his overzealousness will allow cars to go to repair shops that

are not A-1 and this certainly is not good for the business. However, he indicated he did not think this was much of a problem nowadays.

The tire and tube of a car parked unattended at the curb were slashed by a sharp instrument. One agent asked if the exclusion as to tires in the auto physical damage policy would apply in this case since the tube, as well as tire was involved.

Mr. Cobleigh said he thought the intent of the framers of the coverage as it applies to malicious mischief was to

(CONTINUED ON PAGE 32)



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m \it any}$ businessman who takes every precaution to protect his property during his lifetime fail to protect his estate? Experience shows that it is unwise to rely merely upon the reputation and experience of an executor and trustee when the protection of a corporate surety bond is available! Many a trusted executor has seriously depleted an estate through mismanagement, incompetency or plain dishonesty! Recent newspaper items from New Jersey to California attest to this fact!

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Pearl to Write Casualty, Heath to Head Department

Pearl has announced its intention of writing casualty business. Gerald

Heath, assistant manager of the Canadian department of Pearl for 5½ years and, prior to that, for 10 years assistant manager for South Africa, has been appointed casualty manager.

Mr. Heath has had extensive exhome office of perience in the

perience in the Pearl in London. He joined the company in 1931.

In Canada he was a member of the various committees of the Dominion Board and Canadian Underwriters

Assn. and for the past two years has been chairman of the Dominion Board's automobile rates and rules committee. He took an active part in the educational program of Insurance Institute of Canada and served as chairman of several committees. He is a fellow of the Insurance Institute in England and an honorary fellow of Insurance Institute of Canada.

Pearl states it will be several months before it is in a position actually to write casualty business.

Standard Marine Names Struthers in California

Harry A. Struthers has been named assistant manager of inland marine at the Standard Marine San Francisco office. He is replacing John Ott, who retired.

Mr. Struthers started in insurance in 1934 with George F. Billings Co. He

Mr. Struthers started in insurance in 1934 with George E. Billings Co. He has always been in the ocean and inland marine field.

George Johnson, president of California Assn. of Insurance Agents, was speaker at a meeting of East Bay Assn. of Insurance Women. Mrs. Helen E. Rumetsch was program chairman.

Unnecessary Hospital Use Hit as Biggest Cost Increase Factor

Perhaps the largest factor in increasing the total cost of hospital care to the public is the growing tendency to use inpatient care for more and more patients for less and less necessity, said Dr. Harry F. Becker of Michigan Hospital Service at the annual meeting of American Hospital Assn. in Chicago last week. In proof, he gave some of the results of a recent study by Michigan State Medical Society and Michigan Blue Cross.

"Nearly one out of five days used by Blue Cross patients was not a necessary day," he declared. In all Blue Cross plan hospital admissions per 1,000 members increased 9% in the five-year period studied ending with 1953. Days of care per 1,000 members increased more than 6%. He pointed out this marked increase in use of hospital beds cannot be accounted for

entirely by excessive illness nor by normal population increases.

He stressed that when all or any part of the money spent for additional use of hospital facilities is not being used to produce additional service for the occupant of the hospital bed it then represents an economic loss to the individual, who in the last analysis must pay the hospital bill, and to the general public, who in the last analysis must provide the hospital beds.

The Blue Cross study consisted of an analysis of more than 12,000 consecutive clinical records and 25 typical Michigan general hospitals, and it was conducted by experienced, qualified doctors appointed by the state medical society.

He opined that what the study tends to prove in Michigan also holds true with minor variation elsewhere, that more than 28% of all hospital admissions contain some element of faulty use. "As one would expect, these 'faulty admissions' were of course more frequent among 'insured' patients. Blue Cross members misuse their hospital stays in nearly 36% of cases. Commercially insured patients misuse them nearly 30% of the time, but patients paying their own bills showed faulty use in less than 14% of admissions. In terms of hospital days, 11,172 of 76,238 days studied were considered to be unnecessary to recovery, safety or to the reasonable comfort of the patient."

The speaker emphasized that simply because patients used unnecessary days did not mean that they were not in need of medical, surgical or diagnostic care, and in most cases they did need it, but these patients did not need to occupy hospital beds in order to receive it. One out of eight Blue Cross patients entered the hospital for laboratory or x-ray examinations, although hospital outpatient departments were performing similar examinations on similar patients every day. More than 18% of Blue Cross patients remained in the hospital in excess of their needs.

Dr. Becker said it was evident from the study that "uninsured patients", even those well-to-do, "misused" hospital stays rather rarely but when a third party provides immediate cash outlay the tendency to misuse hospital facilities is much greater. "There seems to be universal acceptance of the fallacy that the hospital bill paid by the pre-payment carrier costs the patient nothing. This is probably the basic cause of most misuse. The fact that in the long run the subscribers to a plan pay the 'whole shot' has surprisingly enough never been understood by those subscribers.

"Prepayment exists for just one purpose, to make funds immediately available for necessary medical and hospital expense... but there is no magic in prepayment. The arithmatical fact that you can pay out only what you take in applies to prepayment as it does to any industry. In the long run the subscriber pays for his misuse in the increased rates charged for his contract. The more the misuse, the higher the rate, nor does it make much difference whether the employer pays the premium or the employe pays it."

If employers nation-wide were to pay the full cost of medical and hospital contracts for all of their employes, almost immediately the employes would begin to pay the full cost of such protection in the increased cost of everything they might buy. Thus every (CONTINUED ON PAGE 30)

"PEPPY FREDDY, the fieldman, says:



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Sask. Insurer Is Making Itself Felt

The remarks of Commissioner Jensen of North Dakota before the annual meeting of North Dakota Assn. of Insurance Agents this week were follow-ed with greatest interest because Mr. Jensen has on his desk an application for license from Saskatchewan Guarantee & Fidelity of Regina and the agents and Insurance Federation of North Dakota are actively opposing entry of this company into the state.

Mr. Jensen did not mention Saskatchewan G. & F. by name, but said as to licensing of companies:

"We are ever careful, as many alien companies will attest to. When we have studied their financial report, reserve balance, surplus, claim ratio and claim payment and they have met all of the requirements of the state insurance laws, we still are not satisfied. I demand that North Dakota insurance examiners be given full authority to examine the entire company from stem to stern. Then and not until then after

we have made a thorough investigation

and examination will we grant them admittance and license to do business in North Dakota."

In answer to a question, Mr. Jensen said that from now on any company wanting to get into North Dakota will be required under the retaliatory laws to meet the same requirements as may be imposed upon a North Dakota in-surer applying for admission in the home state or province of that insurer.

It is understood the North Dakota department will make the type of examination described by Mr. Jensen of Saskatchewan G. & F., visiting Regina to inspect the company on its own ground. This might take several weeks, and the possibilities are that it will take until after the November elections in which Mr. Jensen is a candidate for reelection.

The case of the Montana agents vs. Saskatchewan Guarantee & Fidelity has been remanded by the federal court at Helena to the state district court in that city.

Interest in the outcome of this action has grown since Saskatchewan G. & F. filed for a license in North Dakota. The Montana agents maintain that the licensing by Commissioner Holmes of Saskatchewan G. & F. was illegal and in violation of the state and federal constitition, in that it had the effect of entering the state into an agreement with a foreign government. Saskatchewan G. & F. is wholly owned by the province of Saskatchewan.

The action was instituted in the Montana first judicial district court, and went to the federal court on the motion of Saskatchewan G. & F. for removal. However, the co-defendant, Commissioner Holmes, did not join in a petition for removal, and this became the key to keeping the case alive.

After getting the case into federal court, Saskatchewan G. & F. filed a motion to dismiss, claiming that Gardner Waite of Bozeman, in whose name the case was filed, did not have standing to sue. There were briefs filed on this and an oral argument. The fed-eral court said it was of the opinion that Waite did lack the necessary interest to afford him the standing to sue and that the motion to dismiss was well reasoned. However, before entering a dismissal order, it was called to attention that Holmes had not joined in a petition for removal to federal court, and this is a technicality which must be complied with. Lacking this

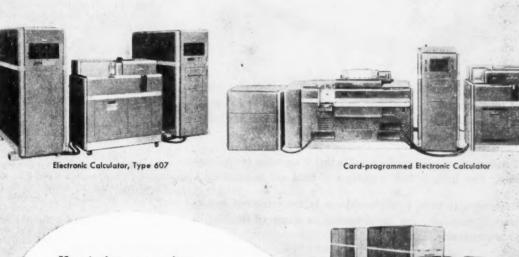
the first place and should be remanded, the federal judge said.

Judge Murray in federal court went on to say that the contention of Sas-katchewan G. & F. that Holmes is merely a nominal party is not sub-stantiated. Holmes is a necessary party in this action in that part of the basis of the case is that his granting a license to the company should be null

action by Holmes, the case could not though a result against Saskatchewan have been taken into federal court in G. & F. would be felt by the company almost entirely, the court noted that the controversy of whether or not the license should be revoked involved Holmes who issued the license. "As a matter of fact, the court fails to see how it could prevent Saskatchewan G. & F. from doing business in Montana without passing directly upon the action of the defendant Holmes in granting a license. The controversy between and void as being in violation of the the plaintiff and both defendants can-Constitution of the United States. Even not be separated."

It is understood the case will be heard in the Montana district court this fall.

Saskatchewan G. & F. is now advertising in the United States for business. The Journal of Commerce in the Sept. 20 issue carries an advertisement of Dorchester Insurance Agencies, Ltd., stating that it represents the government owned insurer from Saskatchewan. The agency emphasizes that it deals in excess lines, special risks and reinsurance, and gives its address as 630 Dorchester street west, Montreal.



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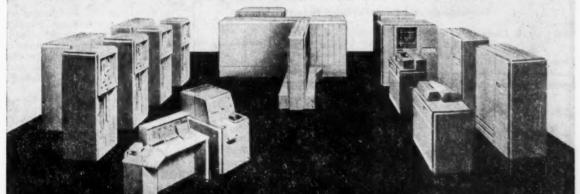
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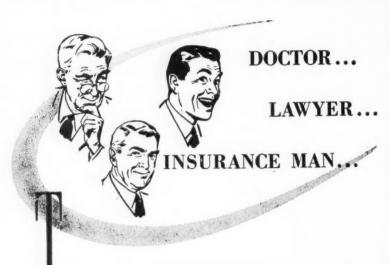
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Casualty Companies Launch PR Program With N. Y. Agents

A further broadening of the public relations program of Assn. of Casualty & Surety Cos. by establishment of an active and professionally directed speakers bureau as a joint undertaking with New York State Assn. of Insurance Agents was announced at the northern regional meeting of the agents' group at Lake Placid by Harold K. Philips, PR manager of the company group. Mr. Philips said the decision to organize an adequate list of capable speakers in all parts of the state grew out of meetings last summer between his organization and the agents' officers.

Clifton A. Sitts, public support consultant of Insurance Industry Committee on Motor Vehicle Accidents, discussed the work of that organization, which provides traffic safety aid to communities of more than 10,000 population throughout the state. He will also address regional meetings of the agents' association in Kingston, Garden City, Buffalo, Canandaigua and Utica.

This will be the third state speakers bureau to be created by the casualty organization in little more than a year, the first being in Oklahoma as a major activity of the newly created Oklahoma Insurance Information Office, which operates as a regional responsibility of the companies' PR department. It proved so successful that a similar bureau was launched in California.

The program thus is extended to the eastern U. S. New York was chosen because if the program proves successful in the most densely populated state there would be little doubt about its success elsewhere.

The New York State Insurance Speakers Bureau will be fashioned along the lines of the Oklahoma Bureau. The companies and agents will immediately appoint a subcommittee of fire members each drawn from their respective PR committees to comb the field for capable agent and company speakers, those qualified to discuss automobile liability, workmen's compensation, accident prevention, value and duties of the local agent, rates. what a community can do to help make its rates, etc. Selected speakers can spend two days at a university as students in a public speaking seminar, tuition to be paid by the companies. These courses produced amazing results in Oklahoma and California. Probably a university will be selected in the west and east sections of the state for convenience of prospective speakers.

Staffs of the two associations will prepare aids for speakers, including speeches on many important subjects, background information for answering questions, outlines of speeches for those who prefer not to use prepared texts, etc. The material will be furnished free and will be kept current.

With the list of speakers completed, a booklet will be prepared and sent to every kind of organization in the state that needs speakers. It will contain a photograph of each speaker, brief biographical sketch, and field in which most proficient at speaking. Experience has shown that invitations begin to arrive fairly quickly and increase as the value of the bureau becomes better known. Speakers will be assigned to nearby rostrums except in unusual circumstances.

Once a speaker is booked, announce-

ment will be sent to the local press with a picture and a second release will be issued following the talk. Harold Queen, member of the companies' PR staff, will spend his full time on organization of the bureau, in cooperation with John G. Mayer, executive secretary of the agents' group and members of his staff.

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Chicago Adjusters Hear Plan to Attack Court Backlog with Mass Pre-Trials

in the mass pre-trial system to court was presented at a meeting of the ponement of a trial by jury. Casualty Adjusters Assn. of Chicago Miller & Rooney, Chicago.

the 150 adjusters at the meeting as "one of the best defense men in the time in the circuit court. business," described how it is hoped to dispose of some 2,500 cases in these pre-trials in October, November and December. He also offered suggestions for improving the system and gave some reasons why pre-trials have not been more successful in the past.

The circuit court will assign eight judges for pre-trial of 1,692 cases pending on the pre-trial calendar and 3,150 cases which were filed in 1952, Mr. Jacobs said. Actual trial of cases, excepting emergency and hardship suits, will be suspended during the three months of pre-trials.

Explaining that the U.S. Supreme Court about 20 years ago had adopted rules concerning pre-trial conferences which have been used with some degree of success over the years, Mr. Jacobs said that in New York a pretrial procedure has been utilized with "somewhat phenomenal success," according to published reports. The procedure employed was to increase the jurisdictional amount for lower courts of limited jurisdictions and then, in Kings county, for example, trial work was suspended about two months and large scale pre-trials were held with one judge calling the calendar and assigning the cases to 13 judges who conducted pre-trial conferences.

"There, as in Chicago," Mr. Jacobs said, "the delay in reaching a case for trial amounted to about four years. The calendar was called at the rate of 500 cases per day and 10,641 cases were pre-tried during the two month period. A total of 54.6% or 5,828 cases were disposed of."

He cited figures of similar success in Queens county, New York, and pointed out that in both counties the conferences not only encouraged set-tlements but also the transfer of small cases valued at less than \$6,000 to lower courts.

This successful experience in New York has motivated the adoption of a similar system by the circuit court of Cook county, Mr. Jacobs said, adding that the jurisdiction of the municipal court of Chicago has been increased in personal injury cases from \$1,000, prior to last June, to \$5,000. With the opening of circuit court, cases called will be pre-tried by eight judges, and representatives of such defendants as the city of Chicago, Chicago Transit Authority, the Checker and Yellow Cab Co. and some insurance companies have assured the court of their support and cooperation, he said.

A definite set of rules to govern the conduct of the mass pre-trials has not been adopted, but this should not prove to be detrimental to the purpose and plan, Mr. Jacobs said. Urging that adjusters have their companies write to the court and say "we want to cooperate," he emphasized that "as in any venture of this type, the success or failure ultimately depends upon the sincerity and cooperation of the persons involved."

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He said effectiveness of the plan probably can be increased if:

1. Parties can be encouraged to

An optimistic outlook for "the de- waive a jury and obtain an early trial before a judge acceptable to both be adopted by Cook county's circuit sides, or suffer an indefinite post-

2. Parties can be encouraged to last week by Wyatt Jacobs of Jacobs, agree to the transfer of cases fairly valued at less than \$5,000 to the muni-Mr. Jacobs, who was introduced to cipal court for an early trial, or suffer an indefinite postponement of trial

admit liability in cases where the liability is clear, but the amount of damages disputed, with an order limiting trial to the question of damages, with some confidence that excessive verdicts will be reduced by the judge or trial judge should attempt to fairly that, if tried without a jury, the ques-tion of damages could be submitted the facts. He should hear from both to a three-judge court or panel of independent medical experts.

should be done to prepare for pre-trial conferences, including the selection of

3. Defendants can be encouraged to cases which should be tried rather than settled, and he added "after we have done all that we can to insure a successful pre-trial, a greater responsibility should be assumed by the court as part of its function. The presides, probably outside of the presence of each other and then call the two counsels into conference and let him-Mr. Jacobs outlined details of what self be used as the catalyst that stimulates negotiations and give assistance (CONTINUED ON PAGE 32)

MONEY YOUR

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If you never have any trouble collecting premiums due your agency, don't bother to read this advertisement. In that case we hope you represent us, but you don't need to read what it says here. On the other hand, if you do have a collection problem now and then - or more frequently - you'll want to see a new Agency Sales Bulletin just published by the Security-Connecticut Companies. It's one of a series of service bulletins we publish for our agents and friends. This new Bulletin is titled "Do you have a definite policy about granting credit?...Or have you a collection problem?" By reading this far you've admitted one or the other, and in either case you'll want to see this It's the result of considerable study of how successful agents handle the credit and collection problem. It divides all accounts receivable into three logical groups; renewals, new clients, and new business from present clients. It gives a different and appropriate - but simple - system for handling each group. It also gives a form for a simple but useful monthly "statement of condition" that any agency can easily prepare. Men in other businesses that grant credit are learning that it's time to tighten up a little. You wouldn't want to be left holding the bag in your community - being the last in line after others have been paid. This Bulletin is full of useful and valuable information for all local agents. We don't want to see any good agent suffer from poor collections, so we're glad to offer it to you, without the slightest obligation. Why not send the coupon for your free copy, today? SECURITY INSURANCE COMPANY OF NEW HAVEN E CONNECTICUTINDEMNITY COMPANY FIRE . MARINE . CASUALTY . BONDS HOME OFFICES: New Haven, Conn. PACIFIC DEPTS: 248 Battery St., San Francisco, Calif. SECURITY-CONNECTICUT COMPANIES, DEPT. 36D NEW HAVEN, CONN. Please mail me, without cost or obligation, a copy of your new bulletin on credit and collections for local agencies. (PLEASE PRINT) STREET CITY OR TOWN_ STATE

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Michigan Agents Elect Van Kuiken

WANT TIME TO SELL

Agent Panel Suggests Continuous Policy, 10-Year Installments, Composite Rates

and otherwise-were advanced here by members of a panel made up of members of the Michigan Assn. of Insurance Agents. S. W. Doty, Grand Ledge; K. J. Scott, Detroit, and R. P. Lyman, Jr., Lansing, explored ways and means of cutting down detail to free insurance agents to study, service and sell, with particular emphasis upon sales.

One of the most interesting opinions expressed was Mr. Lyman's view that there might be some definite advantages in having policies written by the companies, or perhaps even the rating bureaus, with installment payment plans applicable for 10 years or more. Mr. Scott advocated having casualty policies written by the companies and like Mr. Lyman, thought there was something to be said for continuous policies.

Mr. Scott also recommended composite rates for casualty lines, particularly comprehensive general liability contracts. He gave a number of examples where the CGL involved as many as five different rating bases. This consumes the agent's time, time which is

essential for selling, he said.
In automobile, Mr. Scott thinks rates should be single limits chargesone for bodily injury and property damage liability insurance plus medical payments at a stipulated percentage, say 10% of the single limit. Then, to make things even better, functions of National Bureau of Casualty Underwriters and National Automobile Underwriters Assn. should be merged so that a single schedule of rates could apply to include comprehensive or comprehensive and collision.

Mr. Scott also suggests putting automobile commissions on a single level in place of the customary three-way split.

Other suggestions advanced by Mr. Scott were putting all casualty lines on a basis of three years for 21/2 annual premiums and the use of renewal cer-tificates with lines like comprehensive personal liability, residence theft, etc.

Mr. Doty said the very independence of the American Agency System may be preventing agents from honest self-

SAY

GRAND RAPIDS-Ideas which are examination. He does not feel that certain to arouse attention-favorable continuous policies would impair ownership of expirations.

Every procedure involved in an agency should be challenged as to usefullness, possible duplication and need for simplifications. This should involve two main concepts-relieving office personnel for greater usefulness and freeing the agent for time with the customer.

Mr. Lyman said there is the possibility a certain amount of independence must be sacrificed if the agents' competitive position is going to be bettered. And having a string of companies in the office just so facilities will be available when needed is a waste. Mr. Lyman's proposed solution is a third pool taking up where Factory Insur-ance Assn. and Underwriters Service Assn. leave off.

Michigan Assn. Will Study Affidavits in Surplus Line Scrap

GRAND RAPIDS-The complaint of Michigan's auditor general that premium taxes are not being paid in surplus line placings, an issue which has attracted considerable attention in the daily press in this state, was the subof much conversation among agents and company men attending the convention of the Michigan Assn. of Insurance Agents here. The matter did not, however, come up for discussion in any of the formal convention ses-

W. O. Hildebrand, executive secretary-manager of the Michigan association told THE NATIONAL UNDERWRITER that he has issued a statement to the members of the association that the matter is highly technical and involves much misunderstanding. A bulletin will be issued from Mr. Hildebrand's office in the future. Meanwhile, Mr. Hildebrand has informed the auditor general that the association will cooperate, as requested, in studying the affidavits which have been filed.

Minnesota Indemnity has been incorporated at St. Paul with \$100,000 capital.

Says New Dwelling Plans Arm Against Price Competition

nomenon of a rate war with a new "refinement"-a battle of forms-seemed imminent in dwelling lines as recently as this spring, said Bernard P. Mc-Mackin, Jr., assistant editor of the Fire, Casualty and Surety Bulletins of National Underwriter Company in his talk before Michigan Assn. of Insurance Agents convention here. Mr. McMackin said Inter-Regional Insurance Conference recommendations and certain other stabilizing developments averted the chaos which seemed certain to follow if every company were to come out with its own approach to residential and personal coverages.

What exists now is a new field of broadened dwelling risks protection which is established along reasonably stable and encouraging liberal lines. Fortunately, however, the new program is neither over-simplified nor over-standardized. There are three distinct approaches. These are all risks forms, such as SHO, the dwelling buildings all physical loss form and the comprehensive dwelling endorsement of Transportation Insurance Rating Bureau. A second approach is the named perils form, now available generally as the dwelling buildings and contents broad form. And there are the residence package contracts, Multiple Peril Insurance Rating Organization's homeowners policies and the comprehensive dwelling policy recommended recently by Interbureau Insurance Advisory Group.

None of these approaches excludes any of the others from the producer's stock-in-trade, Mr. McMackin said. It is up to the insurance man to decide which one fits the needs of particular insured best. The variety of broadened dwelling risks contracts thus supplies the agent with an opportunity for service where this opportunity was previously almost totally lacking.

Insurance men everywhere have been concerned about new competition for dwelling fire business. The cause for this concern has been in the recent entry into this field of a large company which is owned and operated by one of the world's largest retailing organizations. The announced operating of this company, like its tre-

(CONTINUED ON PAGE 27)

Attendance Tops 500; Schirmer GRAND RAPIDS—The awful phe- Named Treasurer

Sense of Changing Scene, Aggressive Determination Pervade Annual Convention

BY B. P. McMACKIN, JR.

GRAND RAPIDS-A sense of urgent concern over changing conditions con-

fronting American system agents per-vaded the annual convention here of Michigan Assn. of Insurance Agents. There was little or none of pessimism, however. The more than 500 insurance men in attendance reflected an aggressive determination to use every honorable means of giving service

which will justify adequate commissions and assume victory over new competitive forces.

Ray L. Van Kuiken, Grand Rapids, was elected president, succeeding Harry E. King of Calumet. The new treasurer is Robert G. Schirmer, Saginaw. Mr. Schirmer thus becomes the apparent heir to the 1956 presidency of the association. Gerry Fauth, Flint, moved up in the official family to the vicepresidency. Waldo O. Hildebrand is the executive secretary-manager.

Mr. Van Kuiken has been a member of the executive committee for a number of years. He presided over the midyear meeting of the association at Detroit this year in the absence of Mr. King. He has also been president of Grand Rapids Assn. of Insurance Agents.

The Grand Ledge award for local board activities went to Pontiac, a second-time winner, with Flint as runner-up.

Resolutions included a request directed to the legislature that Michigan adopt an annual motor vehicle inspection law, a recommendation to the secretary of state that Michigan use license plates and a resolution

(CONTINUED ON PAGE 26)

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F.&D. Makes Pacific Coast Changes

A number of promotions and other changes in the West Coast organization of Fidelity & Deposit Co. and American Bonding have been made.

Following the scheduled retirement Oct. 1 of Vernon G. Peirson, vice-president in charge of the Pacific executive office for seven years and a director of F.&D. after retirement, and the office will be jointly shared by vice-presidents Dan E. Gorton and John W. Latham. Mr. Gorton now is in charge at Los Angeles. Mr. Latham, who was elected a vice-president of both companies Sept. 15, previously was Pacific Coast manager.

Mr. Peirson will continue as a director of F.& D. after retirement and will continue to serve both companies in an advisory capacity.

Carl H. Kuhn, resident vice-president in San Francisco since 1947, and Leonard D. Jenson, manager at Los Angeles for the same period, have been elected vice-presidents. Mr. Kuhn will continue in charge at San Francisco and Mr. Jenson will head the organization at Los Angeles, succeeding Mr. Gorton.

William D. Risdon has been advanced from associate manager to manager at San Francisco.

William C. Fundenberg and Robert Hecht, formerly associate managers at Los Angeles, have been named managers there.

Mr. Peirson began his surety career in 1906 with American Bonding. When that company was absorbed by F&D. he was assigned to field duties in New York state and in 1921 became manager in Syracuse. He was appointed Pacific manager in 1929 and shortly after his election as a vice-president in 1947 succeeded Guy LeRoy Stevick as head of the companies' Pacific executive office. He was elected a director in 1950.

Mr. Gorton joined F.&D. in 1922 as special agent in Portland, Ore. He became manager in Phoenix in 1926 and three years later advanced to associate manager in San Francisco. He was named manager at Los Angeles in 1940 and was elected a vice-president in 1947.

Mr. Latham joined F.&D. in 1923 as manager at Phoenix. He transferred in 1928 to San Francisco where he served successively as associate manager, manager and resident vice-president. He was appointed Pacific Coast manager in 1947.

Mr. Kuhn joined F.&D. in Milwaukee in 1938 as a special agent, subsequently becoming manager in Buffalo. He later was appointed resident vice-president in Cleveland and in 1947 was transferred to San Francisco in that capacity.

Mr. Jenson joined the companies in 1927 as court bond solicitor at Washington, D. C. He was special agent in Chicago and assistant manager in Indianapolis. In 1936 went to the home office agency department, becoming assistant manager three years later. He became manager at Kansas City in 1942 and in 1947 manager at Los Angeles.

Mr. Risdon joined the Los Angeles branch in 1936. Four years later he transferred to Seattle. After war service he went to San Francisco, becoming manager in 1949 and associate manager three years later.

Mr. Fundenberg has been at Los Angeles since 1923, serving as special

agent, agency superintendent, assistant manager, and associate manager. He is a past president of Surety Underwriters Assn. of Southern California.

Mr. Hecht has been at Los Angeles since joining the company in 1924. After several years in the judicial department, as special agent and then manager, he became an assistant manager and in 1947 associate manager. He also is a past president of the Surety Underwriters Assn. of Southern California.

American-Associated Names Smith and Gray

American-Associated has appointed Eugene Smith as fire and marine manager at Houston and has named William A. Gray to fill the newly created position of bond manager at St. Louis.

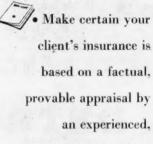
Mr. Smith started with the Texas fire insurance department in 1925. In 1933 he became manager and special agent for Trinity Universal, a position he held until 1937 when he joined a general agency. Following army service during the last war he joined a local agency. Since 1949 he has operated his own business as a fire rating and engineering specialist.

Mr. Gray joined a local agency in St. Louis in 1929. In 1938 he became an underwriter for National Surety at St. Louis and later became manager there. In 1953 he was transferred to the company's head office in New York as surety manager. He is a past president of the St. Louis Surety Assn.

John S. Purcell and Marion Wheeler have become junior partners in *Headt*, *Steas & Co.* agency of Ft. Worth, and the name has been changed to Headt-Steas, Williamson & Halcell.

Mr. Downing, an armed forces veteran, was a local agent at Bowling Green, Ky., before joining National. He will make his headquarters at Springfield.

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Pa. Agents Deal with Variety of Problems at Annual Convention

commending National Bureau on its surer is excluded. new policy of informing agents of policy and rate changes before the news is distributed to the public. The question of the licensing of American Mer-cury of D. C. by Pennsylvania was raised by Jack B. Ladley of Pitts-burgh, and George C. Smith of Washington, Pa., discussed the non-payment of a credit loss by Guardian Credit Indemnity.

New directors elected by the asso-ciation are Mrs. Rose M. Caretti of Kittening, Edward Coup of Milton, Elmer P. Erkel of McKeesport, K. Dick Fronheiser of Johnstown, Richard O. Hass of York, John W. Homer, Jr., of Reading, David C. McBride of New Castle, Charles H. McClure of Pittsburgh, Robert M. MacNamara of Pittstown, J. Donald Porter of Connelsville, Malcolm M. Simons, Jr., of Carlisle, Mrs. Hallie R. Shilling of Sharon, Paul Sprowls of Uniontown, Robert E. Synnestvedt of Jenkintown, Harold J. Williams of Mahonoy City, and Lester P. Williamson of Grove City.

At the annual banquet Morton V. V. White announced that the association's trophy for the company man who has done the most for the association and the agency system has been awarded to Stuart H. Smith, state agent of Agri-cultural, Harrisburg, for his efforts in recent years in the interest of agency education.

Allentown won the trophy for the best local board fire prevention work in 1953. The trophy, donated by Morris Batzer, Philadelphia agent, is awarded each year for the previous year's activities. The winning local board gets to keep the fine plaque mounted on the trophy as the trophy moves on to the next winner for a year's possession. Fred Schantz, chairman of the fire prevention committee of Allantown chamber of commerce and chairman of the fire prevention committee of Lehigh Valley Assn. of Insurance Agents, accepted the trophy. William J. Graul of Allentown made the presentation.

There was an excellent panel discussion on losses.

Mr. Ladley asked directors to consider writing the Pennsylvania insurance department regarding the licensing of American Mercury. He presented a suggested draft of such a letter, which in substance called attention to the fact that two insurers not licensed in the state have violated its insurance laws by soliciting aviation insurance accounts in Pennsylvania for several years. One of these is American Mercury and the other is National Aviation Inter-Insurance Exchange of St. Louis. American Mercury has applied for entry into the state. The company has done considerable harm to the producers of the state, and the insurance department is urged to be sure all requirements are fulfilled by the company before a license is issued. It is understood that American Mercury operates closely with Airplane Owners & Pilots Assn. of America. Proper consideration should be given to this company over a period of several years before a license is granted to the company.

Mr. Smith said that Guardian Credit Indemnity is writing credit insurance which guarantees it will take over any bad accounts of insured and

PHILADELPHIA—In the closing to collect them. However, the contract sessions of the annual convention of contains a warranty to the effect that Pennsylvania Assn. of Insurance any debtor account not completely pro-Agents, members adopted a resolution cessed before it is presented to the in-

Mr. Smith cited the case of one bad credit account referred to Guardian by a contractor insured two weeks before the expiration of the policy. The combecause the claim had not been com-

insurer, Guardian did not pay the claim, he stated.

Stanley Cowman of Philadelphia suggested that the proper course was to take the complaint to the insurance department.

In another resolution the association paid tribute to Pennsylvania state university (formerly Pennsylvania state college) for its work in the field of insurance education, its aid to the insurance department on examinations, and pany refused to renew the policy and its cooperation with the Pennsylvania association. George J. Margraff of

pletely processed before it reached the Philadelphia was commended for his excellent job as convention chairman. Robert Synnesvedt was chairman of the resolutions committee, and J. F. Morgan of Lewistown, past president, chairman of the nominations commit-

> W. Howard Stewart, Clearfield, reporting for the agency qualification committee, pointed out that the standards have now reached a point where a man has to know something about the business in Pennsylvania in order to get a producer's license.

> > (CONTINUED ON PAGE 24)

Making Friends . . . with the Fieldmen



"WORK DAYS ARE SHORTER ON LONG ISLAND"

 "One of the nicest things about working with Joe Kiefer, our Fire Association-Reliance Fieldman, is that whenever he's around our work seems to run smoother and gets done faster. I have a sneaking suspicion it's because Joe knows insurance and understands our territory."-Mr. William F. Glacken, Partner in the Nolan and Glacken Agency, 113 W. Sunrise Highway, Freeport, L. I., New York.



Fire Association-Reliance Fieldman Joseph H. Kiefer

 "Joe is always a welcome sight in our agency. His willingness to help us with clients whenever it is necessary, and his ability to do it well, is a service which I'd hate to put a price on."-Mr. Norman F. Penny, President of the Norman F. Penny Agency, Inc., 1539 Franklin Avenue, Mineola, L. I., New York.



William F. Glacken

• Mr. Glacken's suspicion is true. Joe H. Kiefer, one of 2 Fire Association-Reliance Fieldmen for Long Island, does know insurance ... thoroughly.

Like all Fire Association-Reliance Fieldmen, Joe Kiefer has been trained to help agents in many more ways than you'd reasonably expect. Besides being an insurance expert, your Fire Association-Reliance Fieldman knows your particular area intimately; he is willing to work with you and your clients at any time; he has the authority to make time-saving, on-the-spot decisions; and, equally important, he is trained by companies which will never grow too large for "family feeling", nor lose their high regard for personal relationships. As one agent has expressed it: "Doing business with our Fire Association-Reliance Fieldman is a pleasure, because he combines both capability and friendliness."

Why not have a talk with your Fire Association-Reliance Fieldman soon? You'll be glad you did.



Norman F. Penny

Fire Association

Property and Casualty Insurance

HEAD OFFICE: 401 Walnut St., Philadelphia 6, Penna. Branches in Atlanta, Chicago, Dallas, New York, San Francisco, Toronto, Claims and Settling Agents throughout the world.

EDITORIAL COMMENT

Life Is Complicated Nowadays for the Agent

and make calls on prospects and insured in order to preserve their business and the agency system, three separate comments at the convention of Pennsylvania Assn. of Insurance Agents recently threw an interesting light on the situation in which the local agent finds himself. The three comments were made independently by different speakers and, we are sure, no one of them knew in advance that the other was going to bring out the point that he did.

Since April 8, 1950, more than 53,000 policies had related forms that have been filed for approval with the Pennsylvania insurance department, Commissioner Leslie of that state brought out in his talk. This is about 1,000 a month. Of course the period under review covers many changes that occurred as a result of multiple line underwriting, and the 53,000 figure includes life and A&H. Even so, it is an astonishing figure and adds a great deal of impact to the observation of another speaker at the convention.

Miss Helen A. Blair of Wellsboro, in her discussion of how to meet the competition of direct writers, wondered if local agents were entirely or exclusively responsible for the fault of not getting out any more than they have in the last few years. She asked if the many changes that have been made by insurers have not tended to make clerks of local agents and keep them in the office studying and handling all of the variations that have been injected into the business in recent years.

The third comment was contained in the report of the fire and allied lines committee made by John J. Maguire of Philadelphia. Pointing out that in the old days the agents job in placing residence building and contents coverage was comparatively simple, he said that in the zeal of recent years to produce new forms, insurers have lost sight of the fact that the homeowner had for many years been paying \$50 or less for five years of insurance and the new package costs from \$150 to \$250. Today insured who goes to see his agent to renew his coverage is in for a considerable education. The agent knows that the day of the half-hour chat with insured is no more. The interview now goes something like this:

rodent, sensing that something is up.

With local agents being adjured The bell rings and the bout is on. The right and left these days to get out agent presents and explains, beginning with the homeowners selection, of which roughly there are now skeenteen, all different and at different

> However, the agent realizes that certain things can happen to the dwelling, or its contents, that would not be paid under any of these homeowners policies. So, seeing his friend, the homeowner, getting weary and squirming about in his chair and constantly looking at his watch, the agent starts on a new track, the broad dwelling and contents form. The conversation runs something like this:

> "That's subject to a \$50 deductible." follows. Then insured says, "I don't want that, for the insurance company won't pay me when my loss is \$30."

"Oh, yes, they will, for the deductible only applies to certain things."

"What about my TV aerial? It only cost \$30."

"Oh, yes, we can cover that for \$1.50 a year, but you won't collect anything unless you pay a \$7.50 a year, the minimum premium."

A few minutes elapse and the agent realizes he has not explained the all physical loss policy, so off he goes on that one, ending up by saying, "Oh, yes, I forgot to tell you that one only covers your building."

"Well what about that one a Philadelphia insurance company is putting out? The slip says building and contents."

"Well," says the agent, "that one only covers from an external cause. and frankly I do not know what that means."

"Come to think of it," the agent concludes, "wouldn't you be better off if you sold your house?"

PERSONALS

Theodore J. Rouillard, newly appointed executive secretary of New Hampshire Assn. of Insurance Agents. was honored at the annual meeting of the New England Associated Press News Executives Assn. at Lake Sunapee, N. H. Mr. Rouillard, who has been city editor of the Claremont (N H) Daily Eagle, was awarded a certificate and a cash prize for the second best feature story of the year submitted by Mr. Homeowner begins to smell a newsmen from 90 competing newspapers, for a series of articles written for

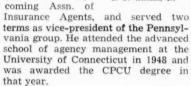
the city of Franklin, N. H., a story which was also featured at that time in the Wall Street Journal.

M. R. Feeney, vice-president of the Lansing B. Warner reciprocals at Chicago, was married last week to Miss Marie Brehm. They left Chicago Saturday for a month's vacation in Europe, sailing on the Italian liner Saturnia. Mr. Feeney has been with the Warner organization for 26 years and before that was with Hartford Accident. A brother, Edward Feeney, is with the service department of Crum & Forster at Chicago.

Kellum Johnson, vice-president and treasurer of Gulf, has been elected president of Dallas Personnel Assn. He also is executive director of the annual north Texas personnel and industrial relations conference sponsored jointly by the association and Southern Methodist university.

Lawrence D. Willison, Jr., of Wil-"What is that?" More explanation liamsport, the new president of Pen-

nsylvania Assn. of Insurance Agents. entered insurance as special agent for several comin Colopanies Wyoming rado, and Pennsylvania in the 1920s. He started in the agency business in Williamsport in 1936. He is a past president of Ly-



Mary Coates, daughter of the late Don Coates, who was publisher of the Insurance Graphic of Dallas, and Richard Daskais, a member of the actuarial department of West Coast Life. and an associate of the Society of Actuaries, were married in the Alameda. Cal., home of the bride's mother. Miss Coates, who had been with West Coast Life as director of sales promotion since January, resigned last week to make her home in San Francisco, Mr. Daskais formerly was with Occidental Life of California for four years.

Creighton P. Cunningham, assistant U. S. manager of Zurich in charge of the eastern department, is being honored by a fall sales salute by agents of the company. Classes of business included in the campaign are burglary, fidelity, group, general liability, boiler and machinery and plate glass.

Following his return from a vacation in San Francisco, Wendell Bonesteel, claims superintendent for Hart-

his paper on the industrial recovery of ford Accident in Seattle, suffered a heart attack. He expects to return to the job about Oct. 1.

> William W. Van Zandt, attorney in the New York City office of Hartford Accident, is celebrating his 25th anniversary with the company

Edward F. Gallahue, president of American States of Indianapolis, is president of Indianapolis Hospital Development Assn., which was in the national spotlight last week when Vice-President Richard M. Nixon spoke at the dedication and ground-breaking service for one of the new hospitals. The association raised \$12 million for hospital expansion in Indianapolis, the most successful fund-raising drive of its kind in history, and has been cited by Nixon and other national leaders as a splendid example of free enterprise in action.

James C. Hullett, president of Hartford Fire, has marked his 25th anniversary with that organization. He took the insurance course at Northwestern University and upon completing it became a special agent of Hartford Fire. Advancing to various posts, he went to the home office in 1944 as president. He is vice-president of National Board, trustee of Underwriters Laboratories, and a director of General Adjustment Bureau and of Phoenix Mutual Life.

Lucien M. Capterton, Lawrenceburg. Tenn. local agent, has been elected president of the First National Bank

W. William Roberts. Montana state agent of Springfield group, with headquarters at Missoula, will take part in the ceremonies Sept. 23 at Chicago in connection with the German submarine U-505, which is being put on display before the Museum of Science & Industry. Mr. Roberts was one of the two fighter pilots who helped capture the submarine. He had planned to be in Chicago at the end of September for the CPCU convention, at which he will receive his designation, before learning of the U-505 ceremonies.

Irving G. Wessman, secretary of Loyalty group in the western department at Chicago, in charge of A & H, has been commissioned a Kentucky

Cal. Merger Is Underway

With more than the minimum num-or of shares of California Union With more than the minimum number of shares of California Union stock required now deposited with American Trust Co., Pacific Employers is in the process of exchanging one share of its stock with four of California Union's under the merger plan which has been approved by the California department. Some of the California Union stockholders were unable to meet the formal requirements by Aug. 30, and the time for acceptance of the exchange has been extended to the exchange has been extended to Oct. 18.

26 NATIONAL UNDERWRITER

EDITORIAL OFFICE: 99 John St., New York 38, N. Y. Editor: Kenneth O. Force. Assistant Editor: Warren Kayes.

CHICAGO EDITORIAL OFFICE: 175 W. Jackson Bivd., Chicago 4, Ill. Associate Editors: John C. Burridge, Charles C. Clarke and William H. Faltysek. Assistant Editor: Edmund J. Brophy

ADVERTISING OFFICE: 175 W. Jackson Blvd., Chicago 4, Ill. Advertising Manager: Raymond J. O'Brien. SUBSCRIPTION OFFICE: 420 E. Fourth St., Cincinnat! 2. Ohio

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DEATHS

GILBERT W. FUNK, 70, formerly assistant secretary for Great American in charge of the loss department, died at his home in New Port Richey, Fla. Mr. Funk moved to Florida following his retirement in 1952. After practicing law for several years he began in insurance as a local agent, in 1913 becoming a field man for Minneapolis



Fire & Marine. He went into the field in Ohio for American Eagle in 1920 and while there served as most loyal gander of Ohio Blue Goose. In 1931 e joined the western department of Great American as executive special agent, subsequently becoming assistant secretary with executive direction of the loss department. He served a term as president of Western Loss

HOWARD C. TOBEY, 80, with Marsh & McLennan in Chicago from 1930 until he retired in 1950, died in his home there. Mr. Tobey began in insurance in 1910 when he went with manager. National of Hartford as a special agent, with Fred S. James, who was a general agent for the company. When Fred S. James went on his own in 1915, Mr. Tobey remained with the James agency until going with Marsh & Mc-

Lennan, Mr. Tobey had been in ill health for the past year.

JOSEPH J. SLEEPER, 63, local agent at Framingham, Mass., and first president of the Framingham board, died there, after a long illness. His widow, Mrs. Edna Sleeper, has been conducting the agency.

THEODORE L. FORNEY, 53, a partner in the Shultz-Forney agency of Elkhart, Ind., since 1946, died at his home there after having been ill since May. He was a member of the Elkhart Insurance Board.

there of injuries received in a recent automobile crash. His son, Robert L., who is mayor of Greensburg, is a local agent there.

H. L. STEARNS, 54, of the Dunlap & Co. agency at Atlanta, died there.

GEORGE E. KELLY, 63, partner in the Kelly & Jackson agency of Le-banon, Ky., and president of Citizens National Bank of Lebanon, died there of a heart attack.

WILLIAM L. MORGAN, 70, local agent at Scranton, Pa. 52 years, died in Kingston, Pa. after a long illness.

LEON B. FLEMING, 67, local agent

for nine years in Greenville, N. C., died after a heart attack.

HOWARD R. DENMAN, 87, local agent at Los Angeles, died at Veterans hospital there.

Cocks Heads New Unit of Aero Associates

Aero Associates has established a new air transport section at Chicago to handle transport type aviation risks. William W. Cocks is in charge. He was with the old Aero Underwriters at Atlanta covering the southesastern states before the war, and after service in the marines joined Seaboard & Western Airlines at New York as insurance

Bluefield W. Va. Inspection
A crew of 60 to 70 agents, field men, and engineers representing stock fire companies all over the state will inspect Bluefield, W. Va. Oct. 17.

Central Standard Life Forms \$1 Million Indemnity Company

Central Standard Indemnity is the name of a new Illinois casualty insurer organized by Central Standard Life of Chicago. The new company has 50,-000 shares of \$10 par value stock, paid in at \$20 per share to provide capital of \$500,000 and surplus of \$500,000. Stockholders of the new company are DAVID A. POTTS, 89, local agent the same as those of Central Standat Greensburg, Pa. Since 1900, died ard Life. There were no organization expenses.

Central Standard Indemnity pres-ently is licensed to write A & H in Illinois and in the future will apply for admission to District of Columbia, Hawaii and the 24 states in which Central Standard Life operates. President of the new company which will have home offices at 211

West Wacker Drive, Chicago, is Alfred MacArthur, chairman of Central Standard Life. Other officers are H. A. Pierce, vice-president and general counsel; Thomas J. O'Neil, vice-president; Edward S. MacArthur, secretary Clarence W. McIntosh, treasurer, and P. A. Hyland, assistant secretary. Directors include Messrs. Alfred and Edward MacArthur, McIntosh, Pierce, O'Neil, and E. H. Henning, William V. A. Hansen, W. Murdoch Stewart and John B. Gallagher.

Continental Companies Stock Split Approved

Shareholders of Continental Assurance and Continental Casualty at a special meeting approved the proposal for splitting the shares of each company on a two for one basis. The split, to be effective Sept. 28, increases the number of shares of Continental Assurance from 650,000, each of \$10 par value, to 1,300,000, each of \$5 par value. Continental Casualty's shares will number 2,000,000 as against 1,000,000, the par value going down from \$10 to \$5. Early this week the casualty company stock asked price was \$193. Continental Assurance stock last week

This clears the way for an extra

dividend of 20 cents per share, to be paid Dec. 2 to Continental Assurance stock of record Nov. 18. There also will be distributed to Continental Casualty shareholders Oct. 15 a special dividend of 20,000 new shares of Continental Assurance at a rate of one share of the latter for each 100 shares of the former, held of record Oct. 7.

New York Approves Allstate for Fire

Allstate has been approved by the New York department to write fire insurance on dwellings, and will write business at rates 20% below the new rates promulgated by New York Fire Insurance Rating Organization effective Sept. 13.

New York is the 23rd state to approve Allstate for dwelling fire since the company started its fire insurance program in March.

	Div.	Bid	Asked
Aetna Casualty	3.00*	176	179
Aetna Fire	2.40	70%	72
Aetna Life	2.50*	1471/2	
Agricultural	1.60	34%	
American Equitable	1.70	35	36
American Auto	2.00	54	5512
American, (N. J.)		291/2	301/2
American Motorists	.24	12	13
American Surety	3.00	681/2	70
Boston	1.40	39	401/2
Camden Fire	1.10*	273/4	29
Continental Casualty		187	193
Crum & Forster com	1.80	613/4	63
Federal	.60	331/4	3415
Fire Association	2.20	52	5312
Fireman's Fund	1.80	661/2	68
Firemen's, (N. J.)	1.00	361/2	38
General Reinsurance		43%	451%
Glens Falls		76%	78
Globe & Republic	.90	19	20
Great American Fire		373/4	39
Hartford Fire	3.00	174	177
Hanover Fire		44	451/6
Home (N. Y.)	2.00	44%	45%
Ins. Co. of No. America	2.25°	102	104
Maryland Casualty		353/4	363/4
Mass, Bonding	1.50*	29	30
National Casualty	1.50*	38	42
National Fire		100	103
National Union	2.00	47	481/2
New Amsterdam Cas	1.50	50	52
New Hampshire	2.00	4314	45
North River	1.40	331/2	35
Ohio Casualty	1.55*	73	75
Phoenix. Conn	3.40	91	93
Prov. Wash.	1.50°	301/2	32
St. Paul F. & M		4.5	461/2
Security, Conn.	1.70°	43	46
Springfield F. & M	2.00	54	56
Standard Accident		69	71
Travelers		1403	1413
U. S. F. & G		80	82
U. S. Fire		48	50
*Includes Extras.	2.00	40	50
merdues Extras.			

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List Plans for Cal. Agent Rally at San Francisco

Plans are near completion for the annual convention of California Assn. of Insurance Agents, to be staged Oct. 25-27 at San Francisco, with an address by Commissioner Maloney scheduled to lead off events.

Speakers already on the line-up are William Wilson, Long Beach agent, who will discuss automobile sales methods; E. O. Scharetg, advertising manager of Fireman's Fund group, advertising techniques; R. H. Walker, Oakland tax attorney, the revised tax law; Gordon Fleury, chairman of the California judiciary committee, the

comparative negligence doctrine, legal Sees Complexities No limitations on liability and agency qualification laws, and W. D. Frampton, assistant secretary of Great American group, inland marine developments.

Dwelling coverages and activities of the national association will be discussed by speakers not yet named and there will be a panel discussion.

National Casualty Opens Sales Service Office in **Detroit Shopping Center**

National Casualty has opened a sales service office in the Northland shopping center of surburban Detroit. The project is a step in an extensive ex-

project is a step in an extensive expansion program.

The office, under the general administration of Field Supervisor William F. Picl, will be staffed by independent contractor agents in the area on a rotating basis.

Syracuse Law to Slow Flood of Sidewalk Claims

Syracuse (N. Y.) common council has passed a law amending the charter to require, as a condition of sidewalk injury claim, that the city be given written notice in advance of the defect in the sidewalk where claimant suffered the injury. The action was taken because the number of claims for such injuries against the city hear waltiinjuries against the city has multi-plied and now runs to \$600,000 in

amount each year.

The law is said to require notice by anyone of a defect, not notice by the one who subsequently suffers the injury. The city will receive and record complaints on defective sidewalks. Property owners will be notified to correct the deficiency within 10 days. If they do not comply, the city will do the work and charge it to the

property owner.

Corporation Counsel Driscoll said similar laws have been passed in other cities and have been upheld by the courts. The number and dollar total of liability glaims because for size laws. liability claims because of sidewalk injury have become a major municipal problem in Syracuse. This type of injury accounted for \$600,000 of claims; the total for all types of third-party liability claims during the past year was \$1,800,000, and the city paid \$45,000 to settle them.

Dallas Assn. Elects Eversole

Charles R. Eversole has been elected charles R. Eversole has been elected president of Dallas Assn. of Insurance Agents. Other officers are Don M. Houseman, first vice-president; W. Nicholas Williams, second vice-president; Cullum Thompson, secretary-treasurer, and Jack L. Curtis, executive secretary. Carl H. Hunt is the retiring president. tiring president.

Norris Named in Buyer's Post

Robert B. Norris has been named head of the insurance department of Mid-Continent Petroleum Corp. Mr. Norris, formerly with Insurors Indemnity as manager of the underwriting department and assistant secretary, has been in insurance for 13 years.

Excuse for Poor Service

This is a business that is everlastingly in a state of change and development, Alex Goldberger, Brooklyn broker, said at New York I-Day.

The unrelenting rapidity with which new forms of insurance are introduced and old ones modified and broadened is bewildering, he said.

However, this complexity is not a valid excuse for the failure of the producer properly to service his accounts. He emphasized that one of the prime elements of service to insured is a constant and unremitting study of the many policy forms.

Mr. Goldberger said insured only

complain about the technicalities and fine print in policies when they sustain a loss for which they have no protection. Occasionally they are justified except that they are inclined to blame the company whereas the blame rightly belongs to the producer who neglected adequately to explain or sell an additional policy to take up where the primary coverage left off.

A good place to start, he said, is to take every exclusion as it appears in the basic fire and liability policies and determine just how each exclusion affects the interests of insured. This provides a basis from which to develop a survey and a comprehensive program of protection to suit the needs of most insured.

In addition, producers must also consider other phrases or conditions in the policies which either appear to be limitations or are otherwise restrictive in character. If all these elements are tested by the producer against the background of insured's own requirements and matched against the coverages available in the insurance market, it is hard to see how producers can fail to offer insured a broad program of necessary protection.

Mr. Goldberger criticized producers who are unable to provide this brand of service because of limited knowledge. There is no excuse for this with what is available in way of refresher courses, discussion groups, forums, lectures, district conventions, and trade papers. He suggested doing some weekend manual reading.

Without the ability to visualize possible losses and areas of loss, he said, the producer loses the impelling motive to go out and show insured there is an urgent reason why he should buy coverage. If imagination won't do it, clip newspaper reports of casualties to show insured, he recommended.

Joins Universal Underwriters

Lee Gilbert has joined Universal Underwriters agency at Seattle as an underwriter. Mr. Gilbert entered the insurance business with Ed D. Smith & Son, Salt Lake general agency, in 1946. He joined Cosgrove & Co., Los Angeles brokers, in 1950 and two years later went to Seattle with Sayre & Toso.

he Case of the Overzealous Cop!

Law suits for false arrest, unlawful detention, assault and battery or malicious prosecution are an occupational hazard of police work.

Illinois R. B. Jones provides the answer to this type of liability in the form of False Arrest insurance against both claims and defense costs. It is written on a group basis covering an entire force.

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FORD TELLS HOSPITAL MEN

Industry, Labor Are Setting Guide for Health Coverage

Industrial group insurance plans, at their best, are setting a target for the whole population to aim at. They are setting the pattern of today's and tomorrow's demand upon hospitals, doctors and insurers, Benson Ford, vicepresident Ford Motor Co., said at the annual meeting of American Hospital Assn. at Chicago.

"Important decisions affecting all of you in the field of health are being improvised in thousands of firms all over the country," he said. "In my opinion, they are being made without any realistic understanding of what they involve. So far as I have been able to determine, there has been no answering effort by the health industry to measure the coming demand and to help organize our facilities to meet it. That, to me, spells possible trouble ahead."

Mr. Ford, who feels his company's experience reflects the national prob-lem, added that as industrial processes become more complex industry is more dependent upon highly skilled workers and supervisors-with the absence of just a few men tremendously costlyand in the years ahead a relatively smaller work force will have to meet the expanded needs of the growing population. He pointed out that between 1940 and 1953 the population grew by 29% in the 17-and-under age group, more than 47% in the 65 and over age group and only 10% in the actual working force of the 18-to-64 group.

"As our productivity and living standards rise," he said, "the tangible and intangible cost to our society of illness and disability will multiply.

From the viewpoint of national well-

being and security, as well as the more special view of industry, it is going to be more and more important to keep

our people healthy and productive."

The attitude of the Ford company is not paternalistic, he said, but it has a real concern for the health environment of its employes, feeling that every American has a definite and primary responsibility to meet his own and his family health needs to the full extent of his ability. "We think it is vital, therefore, to maintain the contributary character of group insur-ance plans."

He gave as two essentials for a sound health program reasonably equal benefits for all employes in all locations, and predictable limitations as to its cost and extent. "When we set up a program today we should be sure it will not swamp us five or ten years

The present Ford set-up of 135 establishments throughout the country in which employes are enrolled in group insurance plans has meant en-tering into 40 separate agreements with state or local insurance carriers, most of them Blue Cross, he said. "We try to approximate in each of these plans the kind of coverage our people get in the Michigan Blue Cross plan. Actually there is a tremendous variation from plan to plan, both as to extent and the kind of coverage offered. The Michigan plan, for example, pays for 120 days full hospitalization and covers 97% of the average hospital

bill. In another state the best plan paid by Blue Cross and Blue Shield. available offers only 21 days of hospitalization at \$6 a day."

The reason most often given for this contrast is local shortage of health facilities and personnel, or absence ofperhaps due to the resistance or difference of local health agencies-of strong prepayment programs, he declared.

Mr. Ford said hospital administrators, along with doctors and insurers, have responsibility for fighting abuses of insurance plans. In Michigan alone, he said, such abuses have been estimated to absorb 18% of the annual bill

If it makes sense for industry to spend \$20 or \$30 million to save \$50 or \$100 million, it should make sense in the hospital, Mr. Ford declared, and suggested that the profit motive might be put to work in hospital administration with highly rewarding results.

While industry is concerned with the practical question of medical costs, it is at something at a loss to determine just how far it can soundly and reasonably go in meeting America's health bill, Mr. Ford said. In both contract negotiations and public state-

ments by union leaders, there is a clear pattern of long-range labor goals in health care.

There is a growing tendency to ask for completely comprehensive health coverage for the worker, which means in the ultimate prepaid diagnostic or preventitive health care, protection against catastrophic illness, prepaid dental care, treatment of chronic and mental illness, vocational rehabilitation and so on down the whole spectrum of health care.

This involves an attempt to "shift (CONTINUED ON PAGE 81)

Our 25 YEAR Agents tell their story



W.D. "Duke" CLEMENTS

MR. CLEMENTS was born in Goldthwaite, Texas, more years ago than he cares to mention. If ago than he cares to mention. It there are any historians who want to look it up, it was the year Mills County (of which Goldthwaite is the County Seat) was organized and he attended the sale of town lots in a baby buggy, but it didn't look like a good proposition so he didn't buy any lots! He says that he at-tended the Goldthwaite Public Schools but did not receive a diploma for reasons satisfactory to the Superintendent, but then he went to a private school in Austin and still no diploma. He then went to A. & M. College of Texas and was in his junior year when a student strike was called and the class temporarily disorganized and he did not return — still no diploma. Based on the knowledge of what "Duke" has done in the insurance business, we would say that of these schools proved but slight impediment to his career. Mr. Clements' father, Phil H. Clements, started his first insur-

Clements, started his first insur-ance agency in Goldthwaite, Texas, in 1892, which he sold in 1911. Duke entered the busi-ness in July, 1919, as a partner with J. C. Darroch and in 1921 the partnership bought the agency which had succeeded to the business of his father. He acquired the sole ownership in 1922 and carried on alone until 1948 when he took in Mr. G. C. 1948 when he took in Mr. G. C.

Head as a partner.

Duke tells us his father represented only Capital Stock Insurance Companies from the beginner. ning and that is the only kind of companies which he has in his agency now or which have ever been in his agency. He opines that "what was good opines that enough for father is good enough for me." It is a pleasure to do business with agents like him.

W. D. CLEMENTS INSURANCE

GOLDTHWAITE, TEXAS

In November, 1925, the special agent for the newly formed Gulf Insurance Company called on me and graciously permitted me to join the list of Gulf agents, thereby becoming a Charter Agent for the baby of Texas insurance companies. I produced business for you in the beginning month and have not failed to do so during any month of the twenty-eight years following.

My relations with the Gulf, from my perspective, have been very pleasant, and only on one or two occasions have I had arguments regarding the operations of the business, and these were with the Boss Man. However, small items like these are greatly eclipsed by the generous and wholesome things the Gulf has done for me. The fair and kindly treatment shown me by the Gulf has caused me to give it the number one place in my agency. The same friendly and personal relations prevail now as when the company was very small and this I do most admire.



Sincerely yours,

GULF INSURANCE COMPANY ATLANTIC INSURANCE COMPANY





Let's call a spade a spade and dig –

Whatever we devise in the way of new coverages—however wisely we use the words "comprehensive," "extended," "deductible"—there is no new device which can service the public, the agent, or the company as well as an honest selling effort.

ANNOUNCEMENT

THE MacGREGOR-DEYO APPRAISAL COMPANY

is pleased to announce the appointment of

ROBERT J. FITZGERALD

as a DISTRICT MANAGER of our company with offices in the Plymouth Building, Minneapolis, Minnesota.

Mr. Fitzgerald was District Manager of another appraisal firm in this area for many years; and he wishes to advise his friends that a prompt and reliable appraisal service will be offered at a reasonable fee.

We also believe our revision service will meet with your approval, and we are in a position to furnish upkeep service on most existing appraisal reports.

If you will call or write our office, we will gladly supply you with sample appraisals and copies of our fee schedule.

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FORT WAYNE

Marine Underwriters Eye Varied Problems

The insurance problems of nuclear fission were among those discussed by marine underwriters at the annual conference of International Union of Marine Insurance at Scheveningen, Holland. Frank B. Zeller of Royal-Liverpool as president of American Institute of Marine Underwriters headed the American delegation. Others in the U. S. contingent were O. E. Barker of Marine Office of America, John T. Byrne of Talbot, Bird & Co., Harold Jackson of Wm. McGee & Co. and H. C. Thorn of North America. Representatives of 32 countries attended.

Also on the agenda in Holland were cargo loss prevention, legal problems,

Mr. Jackson, vice-chairman of the union, reported that theft and pilferage claims, while still an important source of loss, are under reasonable control in most countries. Adverse experience results in customs or when consignees fail to take prompt delivery. Local theft and pilferage committees have been formed in an increasing number of areas and have proved helpful in reducing the problem.

He also discussed the current status of effort to get worldwide standardization of labels used on packages of dangerous goods. The matter has been referred to a United Nations committee of experts.

Mr. Zeller, reporting as chairman of a committee on the subject, said there appears to be no decrease in the unfortunate practice of some ship operators of issuing clean bills of lading against letters of indemnity. The problem may improve after a definition of what constitutes a clean bill has been agreed.

Mr. Byrne reviewed matters being handled by the committee on freedom of insurance, of which he is chairman. As a result of actions by the underwriters and International Chamber of Commerce, the problem of discriminatory legislation and decrees by several governments which restrict the freedom of marine underwriters to do business will be considered by GATT (general agreement on trade and tariffs) at its next session in Geneva in October.

In preparation for the GATT meeting, its secretariat has asked member governments to state if legislation imposes such discrimination, if trade has suffered as a result of discrimination by other countries, and what remedial action might be taken by member governments.

C. H. Johnson, president of Liverpool Underwriters Assn., discussed trade losses, those that are more or less inevitable because of the nature of the commodity or particular trade. Such losses have proved quite troublesome to underwriters.

Jean Jaubert of the French delegation reported that more than 2,000 copies of the French edition of a comparison of insurance clauses used in various countries, edited by the union in cooperation with International C. of C., had been sold. The English edition has just gone to press. That edition will also contain the insurance clauses of the Scandinavian countries and will therefore be the first complete edition of the tables in print.

H. Helmensdorfer of Switzerland, reporting for the committee on recoveries from carriers, said that because of

U&O Study Shows Use of Forms, Coinsurance

In its efforts to develop a single business interruption form, Eastern Underwriters Assn. conducted a study of sales of U&O in a 6-month period. With the cooperation of the rating organizations in EUA territory it drew up a score for that period. The figures reflect daily reports and not risks.

In the study 30,793 daily reports were listed. Of these 14,695 were twoitem forms, 15,228 were gross earnings forms, 543 were the new earnings form and 27 were non-standard forms. Of manufacturing two-item forms 7,277 covered the first item only and 1,552 covered on both items. Of mercantile two-item forms 5.116 covered the first item only and 750 covered both. Of the gross earnings forms, manufacturing, there were 1,719 daily reports showing the contribution clauses used: 954 used the 50% clause, 78 used the 60%, 57 used the 70%. and 630 used the 80% -showing little need for the 60 and 70% clauses. Of gross earnings forms, mercantile, there were 13,809 daily reports showing 8,-010 used the 50% contribution clause. 674 the 60%, 390 the 70% and 4,735 the 80%.

Springfield Names Two

The Springfield group has named Gene C. Dunley special agent in Boston and Francis M. Canning in Providence. Mr. Dunley has had home office underwriting experience. Mr. Canning has been at the home office in the underwriting and loss departments.

C. & F. Moves Melgar

Edward V. Melgar, with Crum & Forster six years in underwriting, losses, appraisal and rating, has been named special agent in New Hampshire and Vermont with headquarters at 77 North Main street, Concord. He also has been in the New England and metropolitan New York fields.

successive currency devaluations, the maximum liability of ocean carriers of various nations to foreign traders ranges from only 31% to maximum 69% of the original values of their limits of statutory liability. Member associations were requested to make vigorous efforts through the International Maritime committee to correct this unsatisfactory situation.

H. J. Quirino da Fonseca of Portugal was elected president of the union. C. Briner, president since 1937, was elected honorary president and made a member of the executive committee ex-officio for three years.

INLAND MARINE MANAGER

We have 3 positions in different parts of the country for men who have at least 10 years underwriting and branch or home office experience. Production experience helpful. Salaries \$6,000 to \$8,000.



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Expect Record Attendance for WUA 75th Anniversary

A record attendance in excess of 200 is expected for the 75th anniversary meeting next week at White Sulphur Springs, W. Va. of Western Underwriters Assn. WUA, which has made the Greenbrier hotel its meeting place with only a few exceptions since 1923, will have some special events on the three-day program to mark its anniversary. The climax will be at the banquet the evening of Sept. 28.

Special railroad cars will leave Chicago and New York on Friday, Sept. 24, to take as many of those as possible down in a body. The governing committee will have a meeting Saturday morning, and the next business will be during the sessions Monday, Tuesday and Wednesday.

WUA is the oldest fire company re-

WUA is the oldest fire company regional trade association in existence. It was founded at Chicago as the effort of a number of responsible company men to bring order out of the chaotic rate and commission situation then prevailing. For most of its existence, until 1944, WUA exercised the principal leadership in the middlewest in a matter of commissions and internal regulation of the business. It was responsible for setting up the orderly rating process used in the fire business today, and was the guiding spirit in the founding of Underwriters Laboratories.

Since 1944, WUA has had to refrain from exercising some of the powers it had in the past. It still, however, constitutes the most important forum in midwest fire insurance for dissemination of information, ideas, and company public relations. WUA supports the 17 field clubs in the 18 middlewestern states, and in this way transmits its trade association activity to the state level. WUA member companies have 65,000 agents in their territory.

Allstate Deviation Plan Fails in North Carolina

Without answering the chief legal question posed at a public hearing on the proposal, Commissioner Gold of North Carolina has disapproved Allstate's auto liability deviation filing and has given the company until Sept. 29 to file a new proposal. The company informed the department the new filing would be made immediately. Meanwhile, the old deviation schedule is in force.

Mr. Gold based his decision on revised loss experience statistics and avoided a showdown on the contention by North Carolina Automobile Rate Administrative Office that deviations must apply uniformly to all driver classifications.

Allstate had proposed a 20% deviation for all classes except 2B and 2C—youthful drivers—which it planned to write at manual rates. It also proposed to write assigned risks at manual rates, a practice followed by all deviating companies in the state, and to give a credit to youthful drivers who complete a driver training course. He did not mention the latter two factors in his decision.

He said that statistics filed by Allstate at first indicated a loss experience for classes 2B and 2C of 68.9%, which is 7.93% above the permissible loss ratio. He asked the company to review

the figures and the company filed corrected data Aug. 30, which indicated a loss ratio of 56.16% at present manual rates. This ratio is 4.84% under the permissible loss ratio.

Mr. Gold said the corrected information makes it apparent that no special consideration need be given classes 28 and 2C and that to allow the petitioner to charge a higher rate on these classes as related to the other classes would be both unreasonable and unfairly discriminatory. On the basis of the corrected statistical data submitted Aug. 30, the filing must be disapproved.

Suit Dismissed; Empiro Is Ok'd In Washington

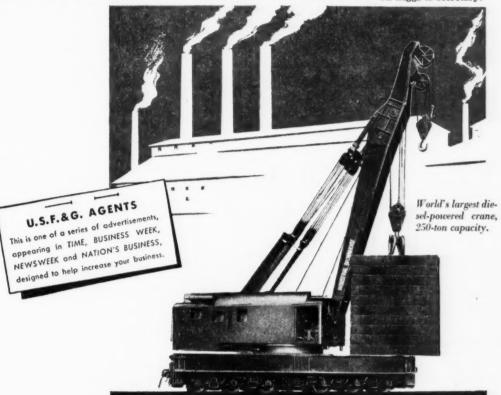
The suit brought by Multiple Peril Insurance Rating Org. against Commissioner Sullivan of Washington to compel him to allow the writing of the manufacturer's output policy, has been dismissed by stipulation. Arrangements have been made for licensing Empiro provided that fire insurance on Washingon locations will be written under

a separate policy on the New York standard form at bureau rates.

Empiro brought suit against Mr. Sullivan after he issued an order last April barring it from using its policy in Washington on the form it submitted.

New Texas Fire Insurer

Builders & Bankers Ins. Corp. of America of Austin has been licensed by the Texas department with capital of \$100,000 and surplus of \$50,000. The company will write fire and allied lines. Henry Moore is president and W. A. Biggs is secretary.



Lightening the load of heavy materials-handling problems

For 75 years, the Industrial Brownhoist Corporation of Bay City, Michigan, has lightened the load for thousands of companies. Its cranes, coal and ore bridges, boat unloaders... equipped with magnets, hooks and buckets... have proved rugged and dependable under continuous, heavyduty operation.

As a result of its pioneer improvements in product design, construction, and performance, the Industrial Brownhoist Corporation has shown continual growth and development.

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Whether you handle materials, produce or process them; own a business or home; no matter what you do or where you are, there are U.S.F.&G. coverages to meet your individual needs.



Over ten thousand agents . . . there's one in your community. Consult him as you would your doctor or lawyer.

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CASUALTY-FIRE INSURANCE FIDELITY-SURETY

United States Fidelity & Guaranty Company, Baltimore 3, Md. Fidelity Insurance Company of Canada, Toronto

"SERVICE is Our Business"

• THIS IS THE THEME of the 58th annual convention of the National Association of Insurance Agents which will be held in Chicago next

HE Royal Exchange Group heartily endorses the progressive spirit of the N.A.I.A. and while the Royal Exchange Assurance was first to go definitely on record in 1721 as an "agency company", it has pleasure in reaffirming its declaration of fidelity and co-operation with the American Agency System.



 Nearly 2½-centuries experience with almost every conceivable type of risk has qualified the Royal Exchange companies with professional "know how" in helping agents with their problems.

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WE DON'T HAGGLE

No, we don't believe in losing friends for our agents with

slow, petty settlements. Fast action by our Claim Department makes fast friends.

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More States Okay Change in Auto Definitions

Revised definitions of private passenger automobile and commercial automobile in the auto casualty manual as promulgated by National Bureau have been okayed in 15 additional states and territories, along with the rule revision affecting certain commercial autos owned by forward.

rule revision affecting certain commercial autos owned by farmers.
Changes were effective in Alabama, Arkansas, Georgia, Illinois, Iowa, Kansas, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, Tennessee, Virginia, and Puerto Rico Sept. 22 and in Hawaii Sept. 23. In the other 35 states and District of Columbia and Alaska the changes became effective Sept. 1.

Pa. Agents Convention Covers Variety of Topics

CONTINUED FROM PAGE 17)

Several local boards reported on fire prevention activities, including L. D. Willison, Jr. of Williamsport, the new president, for Panther Valley association and Nelson Walker of Erie.

Agents' community relations also were discussed under Mr. Cowman's leadership. Among those commenting on outstanding local board performances in this field were Robert Roha of Meadville, Miss Shilling of Sharon, Thomas Parsons of Altoona, Helen A. Blair of Wellsboro, and Stuart E. Graham of Wilkes-Barre. The talks illustrated the fact that in each locality the thing that works best is the one for which there is the most local agent enthusiasm and hard work and those that call for application of good public relations in particular situations that arise locally.

Home's slide film on agents' community relations was shown and received an excellent response. This deals with how the agent can win attention and prestige in his community through fire safety, cleanup week, auto safety,

catastrophe handling, etc.
Paul H. Blaisdell, traffic safety director of Assn. of Casualty & Surety Cos., praised the association for the golden traffic rule week in the state which it is sponsoring Dec. 5. Strict application of the golden rule to driver conduct would eliminate most bad highway experience, he said. He called attention to the fact that the President's safe driving day is Dec. 15, and urged continuity with respect to golden rule week in order to achieve maximum effect.

He said people want highway safety, they know how to get it, but the public is not yet ready to pay for it in money and sacrifice of personal convenience. When it is, traffic safety will be effective

In his annual report, Howard S. Coe of Philadelphia, the retiring president. called attention to the fact that the association has been vigorous in its tackling of group insurance practices. He called special attention to National Assn. of Plumbing Contractors, Homebuilders of Metropolitan Pittsburgh, the group malpractice policy in a nonadmitted insurer sponsored by American College of Surgeons, which is under scrutiny by the Pennsylvania department, the special group life insurance for volunteer firemen which Reliance Mutual Life of Illinois is reported to be offering with a \$100 benefit without examination or age limit to be paid from dues and with individuals granted the right to buy up to \$1,000 additional by paying premium direct to the company under the same conditions, and the Chicago mortgage bankers blanket bond.

These matters have been taken up with the Pennsylvania department and with its cooperation agents feel they are making progress and believe that most of these bad practices have been stopped so far.

He called attention to the hope of the association that it will reach an early solution of the problem of con-

trolled business.

Mr. Coe called attention to two new committees that the association now has, the aviation committee headed by J. B. Ladley and the anti-compulsory insurance committee headed by William J. Graul.

Fidelity-Philadelphia Trust Co. gave a cocktail party at the Midday Club for agents and company people.

Elect Way Secretary, Not Director, of American

Pennington H. Way, Jr., recently named head of the marine-burglary department of American, has been named a secretary of the company, not a director as inadvertently reported in the Sept. 16 issue. Mr. Way entered insurance in 1937

and after army service and field work he joined American at Philadelphia in 1948. He transferred to the home office in 1952 and was named assistant secretary.

Insurance Stocks for Yale

As of last June 20, the Yale University endowment fund included \$2,-288,200 in insurance stocks. Among the holdings were 14,400 shares of Federal, holdings were 14,400 shares of reaction, 13,000 shares of Firemen's, 3,200 shares of North America and 400 shares of Travelers. Income from dividends on these shares for the last fiscal year amounted to \$48,280.

W. H. Harrison of LaVeta, Colo., has disposed of his agency and retired.

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Compensation Capacity Universal Underwriters Agency, INC. Foreign Markets American Bldg. • Seattle 4 • SEneca 6369 PORTLAND . VANCOUVER, B. C. CONTACT US BY WIRE OR TELETYPE NO DIRECT BUSINESS

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Fire and Casualty Insurance

COMMENTS - TRENDS - OBSERVATIONS

Insurance's First Decade Under Commerce Clause Covered in Report to Bar Assn.

became subject to the Sherman antitrust act and the national labor rela-tions act, and, by implication, to other federal laws. Few cases have ever caused such genuine concern to a business, or resulted in the enactment of a greater volume of legislation. The comprehensive study by regulatory of-ficials and industry representatives while this legislation was being formulated was unprecedented. The importance of the holding to insurance counsel is illustrated by the fact that hundreds of articles have discussed the problems resulting from the decision.

Your subcommittee feels this report will make available in convenient form

Summarizing the first decade of insurance under the commerce clause of the federal constitution, a report has been issued by a special subcommittee of the American Bar Assn.'s committee on regulation of insurance companies. It is given in full here, except for the tables of pertinent state laws and the extensive bibliography. The subcommittee includes Commissioner Navarre of Michigan, chairman; B. M. Anderson, vice-president and counsel of Connecticut General Life; J. Raymond Berry, general counsel National Board of Fire Underwriters; John V. Bloys, assistant general counsel Life Insurance Assn. of America; Judge Albert Conway of the New York court of appeals; Felix Hebert, general counsel of Associated Factory Mutual companies; Robert L. Hogg, senior vice-president and advisory counsel of Equitable Life of New York; W. Marshall King, of the Virginia corporation commission, Richmond; Commissioner Knowlton of New Hampshire, president National Assn. of Insurance Commissioners; Commissioner Martin of Louisiana; Ray Murphy, general counsel of Assn. of Casualty & Surety Cos.; Edwin W. Patterson of the Columbia university law school, and Chase M. Smith, general counsel of Lumbermen's Mutual Casualtu.

for busy lawyers the citations of (a) legislation enacted, (b) pertinent court decisions rendered, and (c) the leading articles written in the first decade during which the business of insur-ance has been subject to the commerce clause of the constitution.

On June 5, 1944, the Supreme Court of the United States handed down its now famous decision in United States vs. Southeastern Underwriters Assn., et al, supra, holding insurance to be commerce. The case was a criminal prosecution brought against an organization of fire insurance companies operating in Georgia and neighboring states charging conspiracy to fix and approved March 9, 1945.

Ten years ago the United States maintain non-competitive premium Supreme Court declared insurance to be commerce, and that when conducted across state lines the business and to monopolize trade and commerce in violation of the Sherman anti-trust act. The court, through Justice Black (Justices Murphy, Douglas and Rutledge concurring), distinguished Paul vs. Virginia, 8 Wall. 168, L. ed. 357 (1869), and cases following it, on the grounds that these earlier cases had involved state statutes, and that the instant case was of first impression on the question of whether Congress has under the commerce clause the power to regulate insurance when conducted across state lines. Three justices dis-sented (Stone, C. J., Frankfurter and Jackson).

> The same day, the court unanimously held in Polish National vs. national labor relations board, 322 U. S. 643, 64 Sup. Ct. 1196, 88 L. ed. 1509, speaking through Justice Frankfurter, that a fraternal benefit society is an insur-ance company, that its operations af-fect commerce and that, as a result, is subject to the national labor relations

> While the Supreme Court was considering the SEUA case, the National of Insurance Commissioners (NAIC) held its 75th annual meeting in Nov. 1943. At this meeting, the commissioners' association adopted a resolution reaffirming its position that the continued regulation of the insurance business by the several states was in the public interest.

After the SEUA decision, the commissioners undertook an exhaustive study of the status of state regulation. In the light of the decision, doubt had arisen respecting the power of the states to continue to regulate and tax insurance along established lines. It was, of course, of the utmost importance to the validity of state regulation that the Congress put itself clearly on record in support of state supervision. The reasons for prompt action by the Congress were compelling. The possibility of dual regulation, with numerous areas of conflict, gave promise of a chaotic situation. A flood of litiga-tion seemed imminent with the possible result of a forced realignment of state and federal powers as to the entire insurance business.

It was felt by students of the subject that one way to solve the question would be through a congressional declaration that continued state regulation is in the public interest, and to pursue this approach, the commissioners appointed a committee on federal legislation, which took a very active part in preparing various drafts of proposed legislation. After several months of hearings, a proposed bill was prepared which, in somewhat altered form, became the McCarran act -public law 15-of the 79th Congress,

amended, the business of insurance was considered a violation of the Sherman made subject to the Sherman, Clayton, federal trade commission and Robinson-Patman acts on June 30, 1948, "to the extent that such business is not regulated by state law." Analysis of regulation by state law in comparison with federal law appeared obviously required. Due consideration had to be given to the adequacy of existing laws in many states in the light of the technical nature and complexities of the insurance industry, conflicting views as to the desired form of legislation and the practical necessity of rate regulation in the field of fire, inland marine, casualty and surety in-

An all-industry committee was or-ganized in May, 1945, at a joint meet-ing of the federal legislation committee of the NAIC and representatives of all branches of the industry. The following organizations were represented: American Institute of Marine Underwriters, American Life Convention, American Mutual Alliance, American Reciprocal Assn., Associated Factory Mutual Fire Insurance Companies, Assn. of Casualty & Surety Companies, Bureau of A & H Underwriters, H & A Underwriters Conference, Inland Marine Underwriters Assn., Insurance Executives Assn., Life Insurance Assn. of America, National Assn. of Casualty & Surety Agents, National Assn. of Independent Insurers, National Assn. of Insurance Agents, National Assn. of Insurance Brokers, National Assn. of Mutual Insurance Agents, National Board of Fire Underwriters, National Fraternal Congress of America, Surety Assn. of America.

Later, the following organizations also became members of the all-industry committee: Assn. of Insurance Advertisers, Life Insurers Conference, National Assn. of Life Underwriters. [Editor's note: the report itself lists each organization's representative.]

By the fall of 1946 the all-industry committee, anticipating the 1947 legislative sessions to be held in 44 states, had held numerous meetings, involving considerable time. Law-drafting subcommittees, on rating, the Robinson-Patman act, the Clayton act, and the federal trade commission act, met repeatedly. The meetings had been held in various parts of the country and were open to representatives of companies and state insurance regula-tory agencies alike, whether members of the committees or not.

The committee recognized that perhaps three-fourths of the problems raised by the Supreme Court decisions and public law 15 related to rating questions affecting fire and casualty insurance. In the view of the all-industry committee, cooperative activity in rate making was essential to safeguard company solvency, and necessary to the establishment of practices which would be equitable and in the public interest but might, in the ab-

By the terms of public law 15, as sence of adequate state regulation, be act. A reconciliation of conflicting views of various branches of the industry and among insurance regulatory

agencies was believed to be necessary. The NAIC, at the 77th annual meeting at Portland, Ore., in June, 1946, adopted and approved for passage two rate regulatory bills pertaining to fire and marine insurance and to casualty and surety insurance. Spurred by the SEUA case, rate regulatory legislation had been introduced in many of the state legislatures which met in 1945. In other states, comprehensive systems of rate regulation already existed. During 1947, new rate regulatory laws were enacted or existing rating laws revised in 37 jurisdictions. At the present day, rate regulatory legislation is on the statute books of all states. Nearly all the laws in force are based, with some modification, on the commissioners allindustry model.

The NAIC and the all-industry committee recommended two other bills for passage by state legislatures, a fair trade practices act and an A&H insurance bill. The bill relating to unfair methods of competition and unfair or deceptive acts or practices in the busi-ness of insurance, first enacted in 17 states in 1947, prohibits unfair methods of competition or unfair or deceptive acts or practices in about the same language as used in the federal trade commission act. Unlike that act, however, it lists in section four certain unfair acts and practices (such as false advertising, defamation of competi-tors, rebates, etc,) and with respect to these enumerated practices, empowers the insurance commissioner, after prescribed notice and hearings, to issue orders to cease and desist from the violations found. As to any other acts or practices which are not specifically defined as unfair in section four, but which the commissioner finds, after hearing, to be unfair or deceptive, the commissioner is empowered to report to the attorney-general who can in-stitute court proceedings to enjoin and restrain their continuance.

The model A&H insurance bill, first enacted in 19 states in 1947, requires the filing of A&H policy forms, appli-cations, riders, endorsements, classification of risks and premium rates with the commissioner of insurance, provides that no policy, application, rider or endorsement forms may be issued until 30 days after filing unless previously approved, and provides for the disapproval, or withdrawal of approv-al, by the commissioner of such forms providing benefits unreasonable in relation to premium or if they contain provisions which are unjust, unfair, inequitable, misleading, deceptive or encourage misrepresentation. Hearings on disapprovals would be granted or written request and decisions and orders of commissioner would be subject

to review by appeal.

Clayton act type of legislation deal(CONTINUED ON PAGE 28)

IN CASE YOUR CLIENT ASKS...

HAVE ANY OF YOUR CLIENTS asked about these new \$10,000-minimum special whole life policies now becoming so popular?

They will, and you'll be at your competitive best if you have the facts on the extra specials offered by Occidental's new Preferred Whole Life Participating.

... If your client qualifies - and many will we'll issue this low-net-cost policy with \$10 monthly income disability benefit per \$1,000, on amounts up to \$35,000.

... If your client's not a standard risk-and some aren't-he can get this new Occidental plan substandard as far as Table P.

No matter which kind of man your client is you'll be glad you had this policy to offer him. Call your nearest Occidental office now!

HOME OFFICE: Los Angeles

"A Star in the West ..." *





Michigan Agents Elect Van Kuiken at Annual

(CONTINUED FROM PAGE 15)
urging acceleration of the accident prevention program.

The educational activities of the Michigan association were singled out for high praise a number of times throughout the program. A fifth edition of the association's reference manual is off the presses this week. It includes chapters on accident and health and life insurance.

In his presidential address, Mr. King said membership of the association now stands at 1,011, with 44 local boards.

A mammoth banquet concluded the convention with Commissioner Navarre administering the oath of office to the new officers. P. A. Miller, East Lansing, a specialist in rural sociology and anthropology at Michigan State College, was the luncheon speaker.

The road aid program, a local association service, was discussed by C. M. Verbiest, Detroit, president of road aid.

Certificates recognizing distinguished service to the American agency system were awarded W. S. Flint, second deputy commissioner of insurance in Michigan, J. L. Van Wagonner, Pontiac, and all living past presidents. Posthumous awards of the certificate were made to the widows of four deceased luminaries, R. W. Atwell, late director of the





Harry F. King

W. O. Hildehrand

property insurance division of the Michigan department; J. A. Grow, Guy Cox and C. B. Smith. Mr. Flint was prevented by illness from accepting his award in person.

New members of the executive committee are B. H. Paddock, Detroit, W. R. Nuttall, Standish, R. S. Lapham, Dearborn; P. J. Braun, Flint, and J. G. Molhoek, Grand Rapids, were reelected to the executive committee, as were J. P. Old, Jr., Sault Ste. Marie, and A. J. Goulais, Escanaba.

R. A. Duffus. Rochester, went into an amply illustrated discussion of the meaning of service. His talk seemed to enkindle agents with a desire to get home and try some of the ideas advanced in it. Corridor conversation following the session at which Mr. Duffus spoke was full of new optimism about meeting competition especially that of Allstate, which has recently begun writing dwelling lines here.

Mr. Duffus contrasted generous underwriting of agency companies in auto lines with selectivity of specialty companies. An alert agent will do his best to make a bad auto risk a good one, Mr. Duffus said. Companies can and do help in this by consulting agents before cancelling. Flat cancellation privileges, payment plans without extra cost and a quality product are features the agent has on his side.

The public has never really understood agency service fully, Mr. Duffus said. The agent should make it his business to talk about it at every possible opportunity. He described a long list of means-covering office facilities, procedure, personnel policy, pub-

lic and customer relations, advertising special coverage situations and local board membership, to name a few-by which the agent can increase his service to the public as well as make that service more fully understood.

R. H. Belknap, president of United States Life and vice-president of Continental Assurance, talked about changes in the life insurance business, some of which, he feels, will have their counterparts in the property business. Electronic office devices are certain to be in general use within a short time. Mr. Belknap predicted. The insurance company which is still attempting to do business with machine accounting 10 years hence may be reaching the end of its competitive life. And, as electronic equipment becomes more common, the present trend towards decentralization will be reversed. With such facilities, Mr. Belknap says, all premium accounting-including agency accounting-will be handled in the home office. Agents will not have to bother with billing at all. Premium collection centers will vanish.

Another significant change in the life business is the shift of some companies to competitive advertising. The old saw, "I don't care what the name of the company is—it's my agent that counts," may soon mean less, Mr. Belknap predicted.

There is an increase, Mr. Belknap said, in the number of fire and casualty agents who are getting into life business and vice versa. Life general agents have never liked the idea of their men going into property lines. But their previously active campaigns against such a move seem to have dwindled to passive cooperation with the inevitable. Mr. Belknap said a recent National Board of Fire Underwriters ad stressed that the local agent is the man who can handle all of the customer's insurance needs. All of one's insurance needs, he said, certainly includes life.

Michigan Notes

North British had A. G. Baker, secretary, Michigan Ohio department and F. A. Krussman, assistant manager, on

Vice-presidents T. J. Bouwkanp and R. W. Miles presided over the hospitality headquarters of Preferred.

W. D. (Bill) Cameron, assistant secretary, Lansing, was at headquarters of Boston and Old Colony.

F. W. Locy, resident vice-president, Detroit, and C. B. Kingman, manager, Grand Rapids branch, represented Standard Accident.

J. C. Gardner, agency manager, Fidelity & Deposit, George Bortz, resident vice-president, Detroit, C. A. Keigh, manager, Detroit, and Joe Russell, assistant Detroit manager, were at the company's headquarters.

Pacific National was represented by J. T. Lynch, state agent, Detroit, and Manufacturers Casualty by Louis Dekrause, state agent, Grand Rapids.

On hand for Michigan Surety were president Russell Krozier and V. J. Sharp, vice-president.

Wolverine's headquarters had Harold Moor, executive vice-president, Howard Linkfield, manager, Grand Rapids, and Webb Evans, advertising manager.

At Hartford Accident headquarters was Mel Thweatt, Detroit manager, and Hartford Fire was represented by Roy

Wheeler, state agent, Detroit.

Home of New York had Dean Alber, manager, Detroit, and George Stone, Grand Rapids manager.

George Taylor, manager, Detroit,

Joe Fir troit, W Lond had W Londor Harold troit. C. R

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Joe Finnegan, assistant manager, Detroit, were on hand for U. S. F. & G. London and Lancashire headquarters had W. H. Moeller, state agent, and London and Lancashire Indemnity had Harold McPhee, manager, both of De-

C. R. Bock, regional manager, Frank Runey, assistant manager, Detroit, and for a heart ailment.

J. J. Orth, manager, Grand Rapids, maintained headquarters for Royal- New Dwelling Contracts Liverpool.

W. L. Schreiber, assistant secretary, National Union, was on from Pitts-burgh. He and H. W. Hewitt, Detroit manager, ran headquarters for their company

Max Tanner, assistant agency supervisor, Thomas Orill and William Cole, home office underwriters, extended the hospitality of Auto-Owners company.

Representing National Surety were H. A. Stevens, Detroit manager, and L. E. Shallberger, assistant manager. Charles Martell, marine manager at

Chicago for Fireman's Fund, and R. P. Jensen, Detroit manager, represented their company.

D. T. Marantette, president Detroit Insurance agency, cut short a New England vacation to give his report as chairman of the conference committee.

Jack Butterick, assistant secretary of the Michigan Assn. of Insurance Agents, put in yeoman duty in his second annual convention, making life somewhat easier for Secretary W. O. Hildebrand.

E. R. Green, resident vice-president, and H. M. Johnston, manager, both of Detroit, presided over the headquarters of Continental Casualty.

Bohlinger Seeks Power Over Union Welfare Funds

(CONTINUED FROM PAGE 6) case in which the fund contained no money to pay premiums although union members had contributed \$250,-

000 to it during the year.

Harold Wakshull, now an engineer for International Business Machines, told how he collected \$36,276 in commissions on welfare insurance over the past five years though he had never met the officers of the unions he represented and had never performed any services for them.

Mr. Wakshull obtained an agent's license at the suggestion of his brother, Leon W. Berney, then head of Industrial Insurance Agents Union, communist dominated local which CIO expelled. Mr. Berney, he said, had been asked by United Furniture Workers, CIO, to suggest an agent for the fund. According to the testimony the union neither needed nor wanted an agent, but it had been informed that the law prevented an insurer from waiving the payment of commissions and crediting the savings to the premiums. So the union decided it was better to have an agent get the commissions than to pay them directly to the company. After Mr. Wakshull became an

agent, he made a private agreement with his brother to give him two-thirds of the commissions.

Irving Jaffee, a paper salesman and brother-in-law of Reuben Marcus, an official of the fund of Local 107 of International Brotherhood of Pulp, Sulphite and Paper Mill Workers, AFL, said he made \$25,000 in 2½ years by splitting fees on the fund's business.

Joseph Procopio, international vice-president of Retail, Wholesale and Department Store union (CIO) and manager of United Shoe Service Employes local 563, admitted he had a son and a daughter on the union payroll and another son was counsel for the local and the welfare fund. The fund paid the union \$300 a week to help meet the salaries of the family and three other union employes. Mr. Procopio also said he got \$6,068 in benefits from the fund in the past six years, part of which was used for a rest trip to California

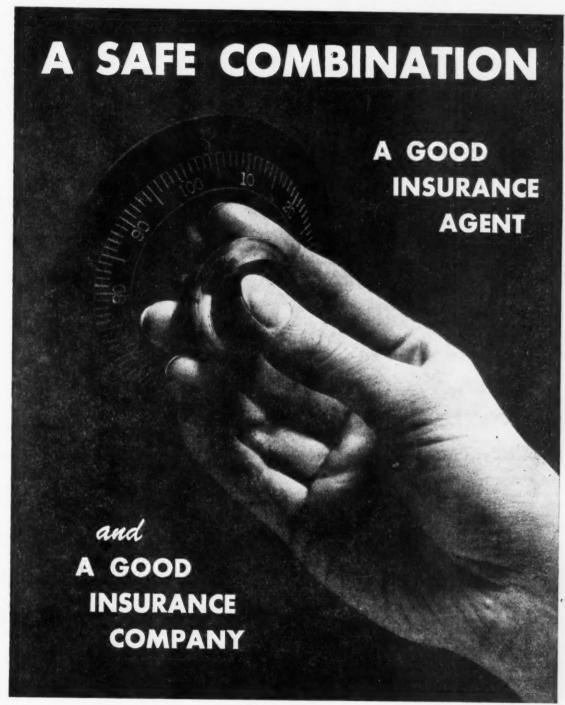
Arm Against Competition

tomobile insurance, are imaginative jobs: (1) masters the new contracts and bound to get business. But this and (2) lets his clients and prosp company's very method of operation know what this flexibility means. requires a certain rigidity.

On the other hand, the new flexibility which the agent has through broadened dwelling risks contracts puts him in an excellent competitive position. With automobile lines, premiums are substantial so that even a slight price differential causes business to go off the books, but lower fire (CONTINUED FROM PAGE 15) rates will not produce enough differ- of hand, complaints from the mendously successful venture into au-

and (2) lets his clients and prospects

Producers who scold against a multiplicity of forms in the dwelling field would unwittingly play right into the hands of this new competition, Mr. Mc-Mackin thinks. If the fire rating bureaus had not taken over all risks and broad forms as they did and the number of generally available package policies had been allowed to get out rates will not produce enough differ- of hand, complaints from the field



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Report Notes 1st Decade Under Commerce Clause

(CONTINUED FROM PAGE 25)

ing with stock ownership and interlocking directorates of insurance companies, first enacted by three states in 1947, has now been enacted in 15 states. A subcommittee of the all-in-dustry committee had considered at length the problem of the possible application of the Clayton act to insurance, and prepared two bills designed to deal with the impact of the Clayton act on insurance companies as the result of stock acquisition and interlocking directorates.

Eight states enacted statutes specifically authorizing payment of commissions to brokers in order to avoid possible application of the Robinson-Patman act, which prohibits payment of commissions to the agents of the buyer. The model Robinson-Patman type law also prohibited unfair discrimination and rebating, although these practices were already forbidden in most states by the rate regulatory laws or by separate pre-existing statutes.

The problems created by the activities of unauthorized insurers was the subject of study by the all-industry committee in 1948, with particular emphasis on the ability of claimants to bring court actions. Model legislation drafted as a result of this study was submitted to the National Assn. of Insurance Commissioners. A model bill

known as the unauthorized insurers service of process act was recommended by the commissioners for the consideration of the various state legislatures in 1949. To date, 28 states have enacted this measure.

In addition to the above-mentioned enactments, there were numerous amendments to existing state insurance codes which have strengthened further the regulation of the insurance business by state law within the meaning of the McCarran act. Comprehensive insurance code revisions have been enacted in the following states: Arizona 1954, Kentucky 1950, Louisiana 1948, South Carolina 1947, Texas 1951, Utah 1947, Virginia 1952, Washington

In Robertson vs. California, the Supreme Court of the United States, without regard to public law 15, upheld state regulatory power exerted over interstate commerce. The defend-Robertson, prior to passage of public law 15, had been convicted in the state of California of violation of two state statutes in that he had (1) acted in California as agent for a nonadmitted company, and (2) acted as an agent without an agent's license. His defense was that he was engaged in interstate commerce and his acts, therefore, were beyond reach of the

The court affirmed the conviction under both counts. It upheld the California statutes on the assumption that their effect was to exclude Robertson's company from its borders unless the state's reserve requirements were complied with. It ruled such exclusion valid inasmuch as the reserve requirements constituted a necessary and reasonable means of securing, in the interest of the public welfare, a minimum assurance to the state's policy-holders as to the company's ability to perform its contracts. Public law 15 was not relied upon, because to do so would have involved a "semblance" of

an ex post facto effect.

In Prudential Insurance Co. America vs. Benjamin, decided the same day as the Robertson case, the court with the aid of public law 15 sustained the power of a state to impose a premium tax even though the tax applied to foreign, and not to domestic, companies. South Carolina exacted of Prudential a tax on gross premiums received from business done in that state. No similar tax was imposed upon South Carolina corporations. Prudential argued that this statute in its operation discriminated against interstate commerce and that the declaration in public law 5 in favor of continued state regulation and taxation did not overcome this objection since Congress either did not, or could not, give its consent to such discrimination.

The court, however, sustained the South Carolina supreme court in upholding the tax. It declared that the commerce clause is not a limitation of the power of Congress over interstate commerce, but rather a grant to Congress of plenary and supreme authority over that commerce. The only limitation on Congressional power thereunder is as to what constitutes commerce. In enacting public law 15, the court stated, Congress must have had

throw the whole weight of its power behind the state systems.

The United States Supreme Court in 1946 in four per curiam opinions atfirmed appeals from the supreme court of Kansas in In re Insurance Cases, 160 Kan. 300, 161, p. (2d) 726. Two of these per curiam decisions—American Indemnity Company vs. Hobbs, Pacific Mutual Life Insurance Co. vs. Hobbs, 328 U. S. 822, 66 Sup. Ct. 1358, 90 L. ed. 1602-upheld the validity of the Kansas premium tax imposed under its retaliatory law. The other two per curiam decisions-Prudential Insurance Co. vs. Hobbs, 328 U.S. 822, 66 Sup. Ct. 1358, 90 L. ed. 1602—upheld the regular Kansas premium tax. All four decisions merely cited Prudential vs. Benjamin and Robertson vs. California.

In North Little Rock Transportation Co. Inc. vs Casualty Reciprocal Exchange et al., 181 F. (2d) 174, cert. denied, 340 U. S. 823, 71 Sup. Ct. 56, 95 L. ed. 604 (1950), the validity and effectiveness of the commissioners allindustry model rate regulatory law, which had been enacted in Arkansas as act 116, laws 1947, was sustained. The plaintiff, a taxicab company, had sought treble damages and an injunction arising out of the fixing of automobile liability insurance rates. The court of appeals for the eighth circuit held that the fixing of rates by the National Bureau of Casualty Underwriters for casualty insurance written in the state by bureau members and subscribers pursuant to statute did not violate the Sherman anti-trust act which by the McCarran act had been rendered inapplicable to insurance in o far as it was regulated by the state.

It had been expected that the decision in Travelers Health Assn. vs. Virginia, 339 U. S. 643, 70 Sup. Ct. 927, 94 L. ed. 1154, decided June 5, 1950, would definitely establish the validity of the commissioners' all-industry model unauthorized insurers service of knowledge of the tax and regulatory process bill. The Virginia blue sky

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when other means had been exhausted. The defendant, which had its home office in Nebraska, had failed to register under the act which specifically in-cluded as "securities," insurance cerfificates issued by unauthorized companies. While several issues were before the court, it was held in part of the opinion that the systematic solicitation of new members, the delivery of policies through the mail and the investigation of claims were sufficient contacts with the state to sustain its jurisdiction.

The United State court of appeals for the seventh circuit in United States vs. the seventh circuit in United States vs. Sylvanus, 192 F. (2d) 96 (7th Cir, 1951) cert. denied, 342 U. S. 943, 72 Sup. Ct. 554, 96 L. ed. 701, held that the McCarran act did not bar a federal prosecution of insurance officials charged with the use of mails to defraud in the sale of A&H insurance. Conceding that Congress in the McCaran act had established a public policy of the federal government to refrain from interfering with the regulation and taxation of insurance companies by the several states, the indictment in the view of the court was not con-

authorized service by registered mail cerned with the regulation of insurance 350 at Two-Day Ohio but rather went to the use of the mails, over which Congress has, by the constitution, paramount power and auth-

Great American Group Advances Peterson, Hoge

Frank A. Peterson, Great American group special agent at Indianapolis, has been advanced to executive assistant in the western department at Chicago.

Chicago.

Dan C. Hoge has been named special agent at Indianapolis. Mr. Hoge, who will work in association with Special Agent Robert S. Hughes, has been with Indiana Rating Bureau.

Martin Powers Joins Erion

Martin J. Powers, veteran independent adjuster, has gone with the Frank L. Erion & Co. adjusting firm in Chicago.

Nebraska and Vermont have approved Mutual Insurance Rating Bureau's filing of the casualty provisions of the comprehensive dwelling policy of Interbureau Insurance Advisory Group. The policy went into effect in these states Sept. 8.

FUA, Blue Goose Meet

CINCINNATI—Close to 350 insurance men attended the outing and dinner closing a two day meeting of Ohio Fire Underwriters Assn. and Ohio Blue Goose. The outing, which probably brings as many Ohio insurance men to-gether in one place as any other affair

short of a state convention, was under the chairmanship of C. M. Hall, state agent at Cincinnati of National Fire. While the closing session is unqual-ifiedly a social affair, plenty of busi-ness is conducted during this traditional two day gathering. On Monday evening, under the supervision of G. F. Graf, Hanover, Columbus, 20 Goslings were initiated into Blue Goose. Mr.

Graf is most loyal grand gander. R. E. Sewell, Royal Liverpool, Cincinnati, presided over a business meeting at the field club.

In the traditional north-south base-In the traditional north-south base-ball game, the southern team, captain-ed by J. C. Rielage, Cincinnati, was victorious. Golf honors went to V. Y. Duncan, Jr., Merchants Fire of Indi-ana, Columbus. Mr. Duncan received the golf trophy which is being retired this year. The prize for low gross went to G. T. Welch, North America, Co-

Conflagration Threat Exists in Some Cities

Fire protection in most American cities has considerably improved in the last half-century, but the threat of conflagration still exists, John A. Neale, chief engineer of National Board, told members of National Fire

Protection Assn. meeting at Seattle. Improvements have been made in water supply, building laws, structural conditions, fire prevention, fire alarm systems, and in the fire departments, he pointed out, but fire and explosion hazards in big industrial plants have increased tremendously as a result of new processes and materials in use.

During the past 50 years National Board engineers have surveyed 500 cities and of the 438 larger cities surveyed more than once, the protection not only kept up with the increased needs of the growing city, but improved in 68% of the cases, he said.

Improvements in the fire departments of those cities lagged behind those in water supply, building laws, structural condition and fire prevention. The weak point in the fire de-partment was manpower. Improve-ments in equipment cannot overcome the manning problem, he said.

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Donovan Joins Franklin General at Indianapolis

INDIANAPOLIS—W. J. Donovan, who has been agency superintendent of the Vernon companies, has joined Franklin General here in a production capacity. Before joining Vernon several years ago, Mr. Donovan, who is well known in Middle Western insurance circles, was in production work for Manufacturers & Merchants Indemnity in Cincinnati and in the field for Royal Indemnity in Chicago.

Unnecessary Hospital Use Biggest Factor in Cost Hike

(CONTINUED FROM PAGE 10) bit of unnecessary use of hospital facilities eventually is paid for by the patient himself, he declared.

Dr. Becker went on to say that in the survey 1,556 patients out of 12,102 stayed longer than good conservative medical judgment would consider necessary. Days of overstay were 5,231. "If this proportion is projected to the state of Michigan as a whole, for one year, such overstay costs nearly \$5 million a year for bed charges alone. Overstay is only one type of faulty use, and Michigan is only one state."

Also, it was estimated that 2,430 Michigan general hospital beds are wasted every day by being used unnecessarily. Such beds must be replaced by new construction at a cost of \$40 million, which the public will pay for.

To remedy the situation, Dr. Becker recommended: Inpatient care to the patient who needs it. "Every day a patient occupying a hospital bed only in order to obtain benefits from a prepayment carrier becomes a charge against all subscribers and increases by some increment the entire cost of hospital operation."

Eliminate a considerable portion of the present high hospital bill and the presently high prepayment rates with a new conception of the vending of medical care on the part of the hospital, physician, the prepayment carrier, and the patient by: Expanding and perfecting existing general hospital facilities so that minor surgery and most diagnostic procedures may be performed without hospitalizing the patient.

Provide convalescent sections, the operation of which will require less highly trained personnel and which will cost less to construct and operate.

Prepayment plans must furnish a contract providing necessary service on an outpatient basis.

Physicians must accept the hospital outpatient department as one of their workshops, using it for such diagnostic procedure and for such treatment as can be properly accomplished there, with both doctor and administrator

realizing neither is encroaching on the other. He warned on this point: "I do see real danger, however, in both medicine and the hospital being forced to make unwelcome and improper adjustments in the manner in which they distribute their care, unless they themselves make sure that their total operation is economically efficient. The present demand by some powerful organized public groups, that they be able to contract for complete health service with one vendor of such service, who will provide high quality care at a price the individual can afford presents a challenge to all of us. We are still in a position to offer such care on our own terms, and under such conditions it will be in the public interest. Our failure to do this will inevitably result in the loss of initiative and precipitate an undesirable political, economic and social effect.

Patients must be conditioned to the use of outpatient facilities in cases where in-patient care is unnecessary.

Dr. Becker stated that with rising cost of hospital care or prepayment coverage such care has already been priced above the financial ability of more than one-fourth of the nation's families—the very people for which the plans were originally provided to assist, and the three-fourths of the people who can now buy protection from the expense of serious illness is decreasing with each increase in prepayment cost.

"On the other hand, hospital facilities are being used more and more freely by those who are still able to afford protection. Hospital beds are being built at an unprecedented rate. As more general hospital beds are available, there is less deterent to the over-use of hospital facilities."

Nelson Joins Gould & Gould

C. B. Nelson, state agent at Seattle for National Union, has joined Gould & Gould general agency there as manager of the engineering department.

Mr. Nelson, a graduate of the University of Washington, started in insurance with Washington Surveying & Rating Bureau and joined National Union in 1949. He is president of Washington Fire Underwriters Assn.

Houston Roundtable Meets

J. Hickey Freeman, associate operating manager of Retail Credit Co. at Atlanta, Ga., was guest speaker at a meeting of the Houston Casualty-Surety Roundtable Club. President J. R. Murphy of Aetna group was in charge.

Mutual CDP Okay in Ky.

Mutual Rating Bureau's filing of casualty parts of the comprehensive dwelling policy have been approved, effective Sept. 22, in Kentucky.



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on the 'I do Name Casualty Managers both Chairmen in Cincinnati

forced F. H. Smith, Aetna Casualty, president of they them oper. The The Casualty & Surety managers of Cincinnati, has appointed E. J. Herndon, Home Indemnity, chairman of the program committee and J. H. Moesta, U. S. F. & G., membersished in chairman.

J. H. Motsu.

ship chairman.

Other chairmen named are R. B.

Devore, Hartford Accident, and G. J.

Burrer, Travelers, social; Jack Whiteside, Travelers, and W. E. Shaw, Fidelity & Deposit, attendance, and R. F.

Lloyd, Hartford Accident, advisory

committee to Ohio Assn. of Casualty

a Surety Managers. J. H. Burkley,

Eddlity & Deposit, has been ad-Jr., Fidelity & Deposit, has been admitted to membership.

Industry, Labor Are Setting Guide for A & H, Ford Says

(CONTINUED FROM PAGE 31)
more and more of the financial load of the health care to individuals and industry. Furthermore, in areas where present facilities are not equal to the demand, there is an increasing pressure upon employers to set up closed health plans and to build hospitals

and group clinics to service them."

The implications of aging population were also considered, said Mr. Ford, whose company has one retiree for every 15 active employes. He estimated that by 1970 the ratio will be one to seven. "Most of these retired employes are now covered by group hospital and surgical insurance plans, often paid out of retirement benefits."

"Ultimately, then, we might find a growing trend toward industry paying the whole bill for all the health care of the employes and their families. That, I suppose would really qualify as private, industrialized, socialized medicine." He said this was perhaps overstating the case, but does suggest a very broad implication of the "massive intrusion of industry and organized labor into the health picture."

He went on to say that when management and labor get together to discuss health contracts sooner or later any and all the points he had mentioned might be advanced. He queried as to how management is to arrive at an intelligent appraisal of specific demands. "If we were to try, for example, to make some provisions for preventive care, psychiatric treatment or vocational rehabilitation, how acurately could we predict the size of the demand and the probable cost of such

provisions? How sure would we be that health facilities and personnel all over the country would be able to meet the added demand?

"We find within industry the growth of more and more comprehensive health care programs. These programs, which benefit a large portion of our population, are establishing a pattern and setting a standard for a nationwide demand on our health facilities."

Mr. Ford added that private enter-prise is not interested in setting up czars," medical or otherwise, to solve the problem, yet the "present picture does seem to indicate the need for strong and effective leadership within the health area" He feels that the professional health associations are the logical source of leadership and because the problem of organization is national, its possible solution would call for national action. He asked if it would not be possible to set up a permanent, private national health commission, representing all the major segments of the health profession, to examine major health needs and recommend how best to meet them.

Columbus Speakers Club Sponsors CPCU Meeting

Prof. John S. Bickley of Ohio State Prof. John S. Bickley of Ohio State university outlined a sound insurance program for individuals and corporations as prescribed by American Management Assn. and National Insurance Buyers Assn. at a luncheon meeting of the Columbus, O., CPCU chapter, sponsored by Stock Fire Speakers Club. Warren Weeks, vice-president of Tice. Inc., and of Insurance Federation of Ohio, was chairman of the program. He was assisted by William L. Venable of U. S. F. & G. Courses to be sponsored by National

Courses to be sponsored by National Courses to be sponsored by National Assn. of Insurance Agents and Insurance Institute of America were outlined by John Glandon, president of the Insurance Board of Columbus, and Archie Reilly of Franklin university discussed a preparatory course for part 4 of the CPCU exam.

Chicago Mariners Hold Outing

Chicago Mariners Assn. held its annual golf outing at St. Andrews country club attended by the largest turnout to date. W. H. Maloney of Hartford Fire, outing chairman, association jimmy, legs, presided at the banquet assisted by Harold L. Bredberg of Bredberg Benorts veoman Skipner Frank I. Reports, yeoman. Skipper Frank J. Packee, inland marine department manager Northwestern National, spoke briefly.

COMMENCED BUSINESS 1924

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Yes, we at The Manhattan Fire & Marine pay heartfelt tribute this year — and every year — to the thousands of local agents who are responsible for our steady growth since 1924. We are proud of the progress we have made together. We hope to continue to share that pride for many anniversaries to come.

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Chicago Board Annual School to Open Oct. 5

Chicago Board of Underwriters for the eighth consecutive year is sponsoring a school of fire and marine and casualty insurance, designed to acquaint persons with basic principles and to introduce ever changing prob-

and to introduce ever changing problems in the business.

Classes will begin Oct. 5 in fire insurance, Oct. 6, marine, and Oct. 7, casualty and will meet on each succeeding Tuesday, Wednesday and Thursday through May, 1955.

Classes will be held in the Chicago Board Auditorium, 21st floor of the Insurance Exchange building, from 11 a.m. to 12 noon. Courses are open to all members and their employes without charge; for other than members and their employes there is a fee of \$10 per their employes there is a fee of \$10 per course. There will be between 29 and 31 sessions in each of the courses and there will be examinations at specified points covering various sections of the sessions, which will be conducted by an all-star faculty of the city's insurance experts. Lectures will cover the major phases of three fields, including their

Chicago Adjusters Hear Plan For Mass Pre-Trials

(CONTINUED FROM PAGE 13) wherever he can to bring the two sides together."

The power of the court for fixing a trial date is a powerful weapon which could be most effectively used if all of the judges would cooperate, he said.

"If the pre-trial conference has failed to produce a settlement the case should be put on a trial call and when it is called for trial the judge should be sitting on the bench, the jury should be in the box and the case proceed immediately," Mr. Jacobs said. "The judge assigned to the trial calendar should refuse to participate in any negotiations for settlement whatsoever. His function should be solely, exclusively and without exception,

"I feel one of the main causes for the failure of the pre-trial conference in this county is that no one takes the matter seriously. They know that there will be many conferences before the jury is selected, after the jury is selected, and during the trial, by the trial judge acting as the pre-trial judge should have acted when the matter was put on the pre-trial calendar.

"Until both the plaintiff and the defendant realize that once a case is put on the trial-call no one in an official capacity is going to make any effort to bring about a settlement, the pretrial conference will not succeed," Mr. Jacobs emphasized.

One reason for failure of pre-trial licensed in California.

in the past is that it was often approached and regarded with the attitude that it was a means of "sandbagging" litigants into settlement of the case, Mr. Jacobs said, adding that a pre-trial's real function is to assure every litigant his full day in court and enable the lawyers to evaluate their clients' causes in the light of facts developed in the conference.

"Another reason often assigned for the failure of pre-trials to relieve congestion is the unfortunate and mistaken belief on the part of the general public and the courts that the insurance companies, who insure the bulk of the defendants, want and profit by delay," Mr. Jacobs said. "Nothing could be further from the truth. The longer it takes to get a case to trial, the greater the cost to the company in clerical, adjusting, administrative and legal personnel."

In support of this statement Mr. Jacobs cited statistics on the costs of settling cases of several companies. adding that "we must do everything we can to eradicate the false impression that the insurance companies profit by delay."

Mr. Jacobs was introduced by George Uglow, United National Indemnity, chairman of the program committee. Louis A. Stuhr, Employers Mutual Liability of Wisconsin, vice-president, presided. Eugene L. Wachowski, of the Chicago corporation counsel's of-fice and member of the association's legal committee, described pre-trial procedures of municipal court.

Frazier Discusses Safety Problems

John W. Frazier, past president of Cleveland Board, discussed "An Insurance Man's Viewpoint of Safety" at the annual Ohio Safety Conference & Exhibit in Cleveland. At an afternoon session he was a member of a panel on "Insurance Agent's Responsibility in Claim Reduction."

Timothy J. Conway, Jr., represented the board as co-chairman of the Cleve-

the board as co-chairman of the Cleve-land insurance safety committee of the

conference.

Tell of Supervisory Practices

"Know Your State Insurance Department" was the theme of a luncheon meeting of the Cleveland Board Deputy Superintendent of Insurance August Pryatel and Department War-den Robert E. Younger discussed practices, procedures and problems of the department as they relate to agents and insured in Ohio. After their remarks the officials answered questions from

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Philadelphia Panel Views Adjustments of Losses

(CONTINUED FROM PAGE 9)

permit recovery in this kind of situation. The exclusion with respect to tires is intended to embrace road, curb, etc., hazards.

Mr. Roberts did not agree with Mr. Cobleigh's view on this point. The intent of those who drafted the coverage was to exclude road damage to tires, and they consider the tire as one

unit, with the tube. Another question was, why don't insurers send out competent adjusters rather than ask for two estimates in the case of auto PHD. Mr. Roberts said that the practice of asking two estimates grew out of an earlier period when insurers were rather new at writing auto PHD. About 15 years ago General Motors led the trend toward training adjusters to deal competently with problems of estimates, and the trend in this direction has steadily developed. The requirement of two estimates does indicate some lack of confidence on the part of the insurer, and the practice is a duplica-tion of effort. He indicated he thought insurers were getting away from this and that the practice might eventually disappear.

A jeweler unable to open his safe called in a locksmith. When the latter could not open the safe, he recommended burning through the door with an acetylene torch. When the door was opened many watches on a wooden panel inside the safe were found damaged or destroyed, some of them melted by the heat. Is the loss covered?

Mr. Kolb said he thought not, though there might be mixed opinions. There are elements here of a friendly fire,

one intentionally kindled.

Mr. Roberts suggested that if the fire goes beyond the first intention, where it is being used purposely, and gets into an accidental phase, the damage done in the second stage probably is covered.

Why do companies ask for proof of value where the property is listed in a schedule, as in a fur policy.

Mr. Park said the adjuster runs into this situation in connection with fur and personal property floaters. In case of loss insured is not necessarily entitled to recover the full amount of insurance. The reduction in federal tax by 10% on jewelry and furs earlier this year reduced the insurable value of articles scheduled in many policies. Jewelry values may go down and the amount paid insured be less than the scheduled value even where the latter is attested by an appraisal.

Are architect's fees part of the sound value of a property for coinsurance purposes? If they are not mentioned specifically in the coverage, do they constitute a part of the loss?

Mr. Kolb said that where it is absolutely necessary to have an architect in connection with a piece of property, it is part of the loss, and when it goes into the loss it must be considered in relation to value.

What about partial loss evaluation in jewelry, such as the loss of one stone out of a multi-stone ring?

Mr. Park said that this provides a frequent source of trouble in adjustments. In some cases the stone can be rehabilitated. Some stone damage can be eliminated by polishing. Where there is, however, a drop in carat as a result of loss or damage, the adjuster gets the opinion of two competent jewelers to calculate the value of the

smaller size and then the adjuster reimburses insured for the diminution in value plus the cost of recutting.

If the value of the ring is reduced by half or quite materially, insurerd may be justified in asking for the payment of a total loss. However, Mr. Parks said that in many cases he is inclined to resist this if the piece of jewelry can be restored to its original value and appearance.

Why does an insurer pay a loss when attempted fraud is indicated? Mr. Roberts commented that National Board has tried for years to get insurers not to pay such losses, even though it is pretty certain that the companies cannot prove the fraud and therefore successfully deny liability. The theory of National Board is that to pay these losses at all encourages such claims. However, insurers recognize that if they litigate, they have to prove fraud. Their feeling is that it is better to compromise a hopeless case than lose the whole thing. However, he noted that it is amazing how many such cases insurers win of those they decide to litigate.

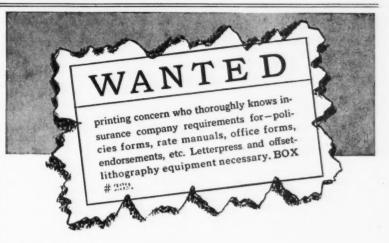
Why is an affidavit required of both spouses when the loss is of property

Mr. Park said this situation arises usually under the PPF or jewelry floater. At the time the loss is presented, he said, the spouses appear to be enjoying domestic bliss. However, rather occasionally when it comes time to pay the loss, the adjuster finds that the spouses are fighting and there is a dispute as to who gets the money. This is apt to involve the insurer in litigation and expense.

Assn. Gives Scholarship Prizes

Insurance Library Assn. of Boston is awarding prizes to students receiving the highest grades in examinations in its educational courses. The prize fund is made up of contributions from the Boston, Employers group, Fireman's Fund, Liberty Mutual, Massachusetts Bonding and Middlesex Mutual Fire.

Students qualifying for the prizes are David R. Cameron of Liberty Mutual, Richard P. Kenney of Globe & Rutgers, Russell A. Howard of Berkshire Mutual, Gertude E. Schuessler of U.S.F. & G., Richard M. Calvert of Merrimack Mutual Ffire, William J. Burke and Harold W. Carruth of Fireman's Fund, Richard R. Findlay of American, and George S. Perry of Truman Hayes & Co.



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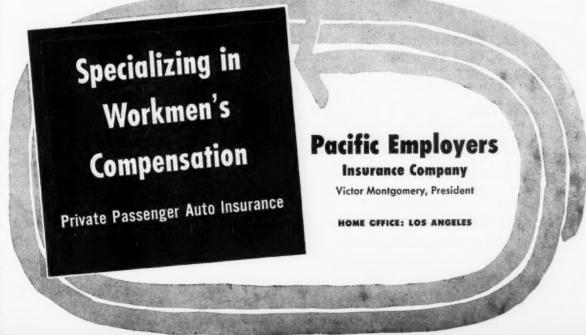
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Minn. Agents Hear the Gospel of Gettina Sales

(CONTINUED FROM PAGE 1)
hold the agency system, in his talk before the Minnesota association.

The days when a salesman could wait for the buyer to come to his store are gone, he said. "In our business, as in many others, there is no substitute for a man with a smile, confidence in his product, an order book in his hip pocket, ringing a doorbell."

It was his impression that agents in towns under 50,000 population and in rural areas were contacting the newlyweds, the new home owners, the new car buyers. However, he doubted that it was being done in the cities and listed some suggestions for agents to follow in realizing this sales objective.

"We need a new look at the expenditures now being made by agency forces and agency companies on advertising," he said. "New emphasis must be placed on the agency system-its value to the buying public and its importance to the insurance buyer." While indicating that companies could put to better use the money they are now spending on

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opportunity, Write giving full particulars, including personal description, educational and
business background—salary requirements. All
replies held strictly confidential. Address B-7,
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WANTED

SALES MANAGER for fire and casualty com-pany. Exceptionally fine opportunity for man with outstanding record of production in agency recruiting, production and sales organization. Write B-II, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, III.

LIABILITY CLAIM MANAGER

Well known multiple line midwestern casualty company offers unusual opportunity for man thoroughly experienced in home office and field liability claim procedure. Selary commensurate with ability. Pension and other benefits, Excellent working facilities. Address B-12. The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Large Eastern Multiple Line Stock Company desires an automobile underwriter for its Boston Branch Office. Permanent employment with pro-motion program. Write and give full particulars to Box 8-13, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

STATE AGENT for Alabama for multiple line company. Primary emphasis on automobile and fire lines wanted. Excellent opportunity with aggressive Southeastern company. Prefer man under 36 years of age. Our employees know of this ad. Write to A-99, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, III.

advertising. Mr. Maxwell also pointed out that agents should improve the quality of their own advertising. "The copy," he said, "needs to be aggressive. It needs to be full of fire. It needs primarily to sell the agent and his services rather than a specific kind of insurance."

He also suggested that since there are people who like to buy at the store instead of in their own home a ground floor location is a must. "Some successful agencies of tomorrow will have a drive-in where the housewife or the home owner can pay the bill, report a loss, or make a purchase while still sitting in his or her automobile.

Next is a sales program which will accomplish the original goal. In most localities you can buy "legal news" service which lists all real estate transfers and, in some instances, weddings. In addition, there is usually available for a small charge a list of automobiles registered.

He acknowledged that by the time a house is sold, the transaction is closed and insurance has already been placed. But an agent is still in time for contents insurance and he also can get the expirations on auto and other insurance.

"We must face the fact that we do have a selling job to do," he said, "and we must carry our message to the little man, the fellow with a small home, a car and a job. We must carry it in the same way we carry it to the large commercial risk or the manufacturer."

Roy L. Davis, midwest manager of the Assn. of Casualty & Surety Companies, in his address congratulated the agents for helping Minnesota become one of the 10 states to receive an award for excellence in its high school driver education program.

Mr. Davis, citing strict law enforcements as a deterrent to non-insured motorists, said the laws of every state should fit "the enormity of the problem that is before us," and should be enforced so vigorously that no one would dare violate them. More police are needed, he added, with instructions to arrest offenders regardless of who they may be. The courts must make the punishment fit the crime, with jail sentences for drivers who won't obey the law. Licenses that are suspended or revoked must stay suspended or revoked.

Prevention of highway accidents is an attainable goal, he declared. This has been shown in industry, where simple rules of safety are required of employes and safe working conditions are provided and accidents are reduced almost to the vanishing point. The time has come, he explained, when safety rules inside the plant must be used outside.

The program included also a talk by Frank H. Beach, professor of marketing at the University of Illinois, who gave some fundamentals of personal selling, and Mark G. Jenson of Dunning & Dunning of Duluth, who compared automobile policies. There were two morning panel discussions running simultaneously the final morning for rural and small lines agents and metropolitan and large lines agents. Kenneth A. Young of Blue Earth was chairman of the rural meeting, and Burt Hubbard of Duluth had charge of the metropolitan meeting.

At the meeting of rural agents there was a discussion of the new Minnesota farm schedule, a panel discussion of automobile coverages and competitive problems with Mr. Quackenbush



New officers of New Mexico Assn. of Insurance Agents, from the left; K. H. Bair, Jr., Albuquerque, treasurer; Neil Durham, Clovis, vice-president; Alice Walsh, Gallup, president, and Paul Sackett, Albuquerque, state national di-

presiding and with Cecil Berkner, Sleepy Eye; Francis McGovern, Rochester; Howard School, Northfield, and Howard Williams, Mankato, participating.

At the metropolitan meeting, short talks were given by George W. Nelson, Minneapolis, on casualty insurance; George A. Thompson, Minneapolis, fire revisions; Alec Dean, Minneapolis. accident prevention, and Walter North British, and W. L. Holm, Crum & Forster, on the field men's part in the program.

Don't Expect Kavanaugh's Successor to Be Named Soon

The successor to Commissioner Luke J. Kavanaugh of Colorado may not be appointed for some time after Mr. Kavanaugh retires Oct. 1. Local newspapers are pointing out that the job has some stiff qualifications, and many of the persons who can meet the re-quirements are already making more

money from private business.

The Colorado merit board requires years of experience in the insurance field, a college degree in insurance, public administration, law or a field related to insurance: that the man have no pecuniary interest in any insurance company or agency, directly or indirectly. Beginning pay is \$554 a month. The position is under civil service

Next UA Fracas Oct. 7

The uniform accounting subcommittee of National Assn. of Insurance Commissioners will hold its next session Oct. 7-8 in the state office building at Chicago. The session will begin at 10 in the morning Oct. 7 and will open to all comers for discussion of "functionalization of various operating expense classifications," a red-hot item carried forward from the meeting last carried forward from the meeting last April. There will also be a general reof instructions for uniform classifications to take in new matter and delete the obsolete.

Buyers Clinic at Ft. Wayne

Fort Wayne Assn. of Insurance Agents held its second insurance buyers' clinic this week with the program in the hands of the Indiana CPCU. Robert B. Maxwell, Jr., of Indianapolis discussed insurance on leased property; Gayle Richardson of Indianapolis talked on the 3-D policy, and Garrett Dirmars of Indianapolis discussed the new commercial floaters

Chicago Union League Group to Hear Knowlton Nov. 28

The insurance group of the Union League Club of Chicago at its first fall meeting Nov. 28 will hear a talk by Commissioner Donald Knowlton of New Hampshire, president of National Assn. of Insurance Commissioners. Originally it had been planned to hold the first meeting Sept. 28, but that has been cancelled. It is hoped at the November meeting the new Illinois director, Justin T. McCarthy, will be at the head table.

The group plans to sponsor its second dinner dance Nov. 19. This was successful innovation last year.

Roy L. Davis, midwest manager of Assn. of Casualty & Surety Companies. is chairman of the insurance committee of the club, and Levering Cartwright, insurance journalist, is vicechairman. The new committee members are Ferrel M. Bean, general agent of John Hancock: Walter G. Dithmer, Western Underwriters Assn.; E. M. Griggs, National Board; Alfred N. Guertin, American Life Convntion; Eldridge H. Henning. Central Standard Life; Newell R. Johnson, American Mutual Alliance; Robert T. Johnson, Aetna Casualty; Ralph D. Jones, Continental Casualty; Vestal Lemmon, National Assn. of Independent Insurers; E. H. O'Connor, Insurance Economics Society; E. P. Simon, Chicago Board; W. W. Krom, Chicago Board, and G. S. Middleton, National Assn. of Insurance Brokers.

R. M. Hubbell Goes With Local Agency in Indiana

Richard M. Hubbell, formerly assistant manager of National Inspec-tion Co., has joined the J. C. Hutchin-

son agency at Evansville, Ind., as assistant to the president.

With National for 20 years, Mr. Hubbell served both in the home office at Chicago and in Ohio as an inspector. He started in insurance with Marsh & McLempa, at Chicago and later spent McLennan at Chicago and later spent several years as a company field man, traveling in Ohio and Indiana for Great American, Globe & Rutgers and State of Pennsylvania. He served the latter two companies as Indiana state agent.

A brother, Robert G. Hubbell, is Indiana state agent for Northern of England.

N. J. A Public

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N. J. Agents Plan TV **Public Relations Series**

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Harry W. Melville, vice-president of American, said in his talk that New Jersey should have available policies that are equivalent to those which producers in other states can sell. He said he believed that a package policy that meets the needs of the average home owner, needs that are pretty uniform, is the best defense against the inroads of direct writers.

Mr. Watson announced that a filing has been made with the insurance department which calls for a reduction in fire rates but increases extended coverage rates on dwellings. The proposal would exclude TV antenna and aerials, which have produced a lot of losses.

The research necessary for successful underwriting and distribution of the all risk type of coverage must be made at the sales level, F. W. Doremus, manager of Eastern Underwriters Assn., said in his talk. Only the agents can find out definitively whether there is a valid and continuing demand for package policies.

Vice-president William E. Unzicker, operating head of AFCO and first speaker on the Saturday program, outlined the advantages of AFCOs installment payment plans. These, he stated, will put dollars in agents' pockets because it will increase their volume of business, reduce collection expenses, enable agents to receive their full payments currently, and make available to purchasers premium budget facilities in line with the public's normal buying habits.

Following Mr. Unzicker was a panel discussing the theme, "Telling Our Story", headed by Alan H. Miller of Hackensack. The participants were: Harry V. Carlier, assistant secretary of Northern and president of Insurance Advertising Conference; Theodore W. Budlong, assistant manager of National Board; and Henry A. Franz of Clifton and John S. Sheiry of Bridgeton, agents. John F. Hurlbut, advertising and promotional manager of NBC's TV station, WNBT, also participated.

Mr. Miller outlined the tentative plans for the TV program. Since the program would be broadcast from stations in New York City and Philadelphia for adequate New Jersey coverage, Mr. Miller is hopeful of getting New York City brokers and suburban agents as well as Philadelphia agents to join in the project, as the same stations would serve them too. If so, the cost to New Jersey association members should be about half.

The TV project will be proposed to Eastern Agents Conference publicity committee, of which Mr. Miller is chairman, at a meeting of this group during the NAIA convention in Chicago. This committee is the result of interest shown in the New Jersey plan at the Boston meeting of the conference last spring. The final step would be for NAIA to join in the program and, Mr. Miller, stated, if the program is as good as it should be, this is only a question of time. At the meeting of the National State Directors' at Seattle the matter was brought up and missed being presented before the national executive committee by only one vote. It is estimated that on an annual national basis, the cost per member would be under \$20. In addition, Mr. Miller pointed out, a national program would surely receive

company support, as the trend of com- Knowlton Seeks Backing pany advertising is in the direction of showing the importance of the agent. On All-Risk Problem

Continuing the discussion of TV programs and techniques, Mr. Budlong emphasized the importance of a small committee in running any publicity program. Too large a committee, he believes, will result in much discussion, many suggestions and little activity.

Mr. Sheiry called for clarity and precision in defining agency advertising aims. Exactly what does the agent want to accomplish by a particular advertisement, and what medium is best suited to this aim, were questions posed for the audience. Most important, does the agent have only a bunch of advertising gimmicks, or does he have a continuous advertising program? The answer in advertising is the same as in insurance. Only a continuous and well-planned advertising program will meet the needs of the agent

At the luncheon meeting Joseph A. Neumann, Jamaica, N. Y., vice-president of NAIA, analyzed the threat of direct writers and reaffirmed the policy adopted at the last NAIA convention of no unilateral commision reduction, no continuous policies and no direct company billing. Mr. Neumann traced the reasons for the growth of direct writing, attributing it in part to the oncoming of a new era in property insurance in which some operational changes may be necessary.

This year the Wilson cup for general achievement was awarded to the Hudson county association of which Edward A. Bierner is president. Also commended were the Bergen county association, with Robert L. Darrell, president, and the Camden county association, Earl T. Jackson, president.

The entertainment program included traditional party sponsored by Camden Fire, which features a nonalcoholic luncheon. America Fore was host at a cocktail party preceding the annual banquet and entertainment.

State Assn. Officers to Convene at NAIA

State association secretaries State association secretaries and managers will hold their annual meeting Oct. 3, during the annual convention of National Assn. of Insurance Agents in Chicago. They will discuss state association activities and management problems, public relations, highment problems, public relations, high-way safety programs, membership and dues collection practices, and conven-tion programming. D. B. Sherwood, as-sistant general manager of National Board will demonstrate and explain the board's new advertising program. George Fairleigh, executive secretary of the Georgia association, is chairman of the group. of the group.

Chicago Examiners Start Season

Assn. of Fire Insurance Examiners of Chicago at its first fall meeting heard George Tomlinson of Dun & Bradstreet on the value of the Dun reports to the underwriter for selecting risks. There was a large turnout with Duke A. Clarin of Commercial Union, association president, presiding.

The University of Rhode Island extension division is offering a 16-week program in insurance including general principles of insurance, fire, cas-ualty, automobile, suretyship, inland marine, ocean marine and workmen's compensation. Qualified students who complete six required courses and two electives will receive a certificate in general insurance.

Carolina Casualty has been licensed in Massachusetts.

(CONTINUED FROM PAGE 2)

ion. Politicians long have known that it's everyday work done at the precinct level which pays off at the polls. In public relations, too, a business needs to communicate to people in the towns and in the country to get and hold the public understanding it needs.

He urged agents in every contact with clients to impart more accurate information about the business, its costs and problems and the function of the agent. There is no method in public relations superior to a personal explanation.

Using adjustment work done in connection with Hurricanes Carol and Edna as an example, John W. DeMeritt, Exeter, retiring president of the association, was critcal of the catastrophe plans in use

Neither the agency mutual companies' plan, which is the closest to a complete catastrophe plan with notices sent to a central office in Salem, Mass., nor the use of normal procedure for assignment of losses used by stock companies, produced adjusters or loss adjustments, he said. The catastrophe plan after Carol produced a 360-hour moratorim instead of the 72-hour moratorium the full catastrophe plan calls for, he said.

The loss adjustments during the severe November, 1950, windstorm were handled much more expeditiously, with the use of no catastrophe plan but the use of common sense and imported adjusters, he said.

Agents who have tried to explain to any average insured the adjustment of a simple loss to a private dwelling, where one side of the roof can be patched or repaired-and so paid for in full—the other side requires a de-preciated new roof and where there are two or more policies with \$50 deductibles and others with full cover are running into trouble.

May Start Multiple Line Insurer in Florida

A new multiple line company with Acting Gov. Charlie Johns of Florida as its head may come into existence in Florida after the first of the year, according to a rumor backed by a "reliable source'

It is said plans for the new company were discussed by officials of Ins. Co. of Texas at a meeting with the gov-ernor. BenJack Cage, president of the Texas insurer, and Francis J. Knoll, secretary, both of Dallas, were said to have met with the governor, who was a local agent at Starke before becoming acting governor. The name said to have been picked for the company is Presidential Ins. Co. It would be an independent company with Florida stockholders but with Mr. Cage in an advisory role, according to the report.

AFIA Cocktail Party at Holland Marine Meeting

American Foreign Insurance Assn. gave a cocktail party for AFIA's Benelux agents, during the conference of International Union of Marine Insur-International Union of Marine Insurance at Scheveningen, Holland. L. C. Irvine, AFIA general manager, was host and the following AFIA men attended: F. T. Wyckoff, English manager; T. B. Brown, Jr., Paris; V. F. Castiglioni of Rome, eastern Mediterranean inspector; N. H. Wentworth, secretary, America Fore group; and A. I. Terhune and W. F. Stefurak of AFIA's New York Office. About 60 attended. attended.

A regional conference of AFIA managers and supervisors was held dur-ing the week and dealt with public relations and advertising, ways and means of improving branch efficiency, expansion of casualty operations, expense ratios, etc.

Nelson Loses in Minn. Bid

Although he made a strong bid, former Minnesota commissioner A. Herbert Nelson failed to win the Republi-can nomination for lieutenant governor of Minnesota. Mr. Nelson, who is Minnesota manager for Business Men's Assurance, ran second in field of nine.

In any market ...

THERE'S A GREATER DEMAND OR THE QUALITY BRAND!



.. so it is with

INSURANCE

The CS brand has been a symbol of

CONFIDENCE AND STRENGTH

for over

THIRTY YEARS!

with assets in excess of over \$12,000,000.00

COMMERCIAL STANDARD INSURANCE COMPANY FORT WORTH, TEXAS

RAYMOND E. BUCK, CHAIRMAN OF THE BOARD AND PRESIDENT

Lumbermens Helps Agents Recapture **Lost Auto Business**

NEW YORK-Lumbermens Mutual Casualty is launching a 33 state local newspaper advertising campaign to assist its agents in recapturing automobile business, after a test run of the program in Connecticut and North Carolina beginning last April resulted an increase in the automobile writings of those agents by 90 and 60% respectively.

Norman C. Flanagin and R. P. Palmer of the head office and Victor T. Ehre of the New York office explained the program at a luncheon here this week attended by representatives of the insurance, business and sales and advertising publications.

The program reflects what Lumbermens learned from a survey of 1,600 class automobile Among other things the survey showed of those auto insured who switched from a local agent to a non-agency company, which was 57% of those insured in non-agency companies who were interviewed, 69% did so because of price. However, the interviewers also learned that 34% of those who switched from a local agent to nonagency companies would return to the local agent if he could provide insurance in a strong company with fine service if the cost of doing so were only \$2 to \$10 more than they were currently paying.

The advertising program will run till next June and will cost around

Influence of Atomic Energy on Insured Risks Is Being Watched

The use of atomic energy in industry is gradually increasing, and underwriters are watching developments in this field closely. Perhaps the most common use is by way of isotopes, but there are other ways in which atomic is influencing the hazards energy which the insurers are offering daily to protect

For example, a precision tool manufacturer may be making atomic energy devices of some kind, perhaps entirely for peace time purposes. However, in order to test the tools, it may be using atomic energy in some form on the premises

The insurance people were much interested in the Japanese fishing boat whose hull and cargo of tuna fish were damaged by precipitation from the atomic test explosions at Bikini. If an American ship were to be similarly damaged, there is some question as to whether the ocean marine would cover.

Nuclear Research Associates of New York City has interested itself in the indirect problems posed business and commercial development of atomic industry, including insurance, by the energy. The organization is composed of experts in several branches of nuclear physics, chemistry and engineering, and it is offering consultation services to business and industry on matters relating to atomic energy.

R. W. Siegel of this firm points out that use of such energy for peaceful purposes is not in the far distant future but is happening quietly and unobtrusively today. The peaceful atom has slipped into the back door and is taking a place in many industrial ap-

of thickness measurement of materials by means of radioactive substances, material sorting, tracing and radiography, to mention a few.

The firm points out that entrance of atomic energy into everyday busiaffairs unfortunately presents many problems for which certain segments of the business world finds itself unprepared. Insurance companies, shipping and transport firms, building material people, banks, investment brokers and municipal governments are some of those who are now interested or should be interested in expert advice on atomic energy. Though none of these is directly involved in nucleonics, they will all be faced with entirely new sets of problems for which they must find answers.

What should the fire insurance rate be for a building housing a 1,000 kilowatt nuclear reactor? What should workmen's compensation insurance rates be for technicians using radio isotopes in process industries? What are the public liability insurance problems connected with nuclear food sterilization?

Municipalities are worried about air and water pollution, construction peohave problems connected with building research laboratories, investment men are called on to evaluate the work of new ventures in atomic energy, air conditioning people must set up pollution proof air handling systems, and public relations counselors are called on to dispel unfounded ru-

Two Sun Field Veterans to Retire: Successors Named in O., Minn.

Sun has appointed John Kush, Jr., as state agent in Ohio and West Virginia, and Robert E. Caldcleugh, Jr., as state agent in Minnesota to succeed Otto P. Sachs and Carl R. Lill respectively, who are retiring Oct. 1.

Mr. Sachs has spent his entire insurance career with the Sun, starting in 1904 as a junior clerk. He served in the armed forces during the first war, and in 1919, after a short stay at the Chicago office, was made special agent in Ohio. The following year he became state agent for West Virginia, and in 1931 was given the Ohio-West Virginia field as state agent.

Mr. Lill started with Sun in 1919 as a state agent, after a similar experience with another company. He has been in the Minnesota field since then.

Mr. Caldcleugh, the new Minnesota agent, started in insurance in a Corpus Christi agency, and recently moved to Minneapolis. He has been taking a refresher course in the western department in anticipation of taking over the Minnesota field.

Mr. Kush has been assisting Mr. Sachs for about 18 months in the Ohio-West Virginia territory. He had been with Sun in Detroit before moving there, and will continue his headquarters at Columbus, Mr. Kush will be assisted by Frank Chemlik as special agent. He has completed an underwriting assignment in the western depart-

Announce Plan to Merge Two Dallas Insurers

Home Service Casualty and Great National Fire & Casualty, both of Dallas, have announced plans to merge, subject to approval of the board of commissioners.

king a place in many industrial aptications.

The new company, which will have total assets of \$1,638,122, will retain the name of Home Service Casualty,

Late News Bulletins . . .

(CONTINUED FROM PAGE 1)

cities and towns. The new schedules bring about a decrease in dwelling rates of 14.4%, and when rerating of mercantile risks is completed it is expected there will be overall reductions in that class of 6.7%.

Hurricane Estimates Climb

Estimates of the number of losses from Hurricanes Carol and Edna which struck Long Island and New England less than two weeks apart now stands at between 350,000 and 400,000, and the amount at approximately \$150 million. Damage from Carol may run more than \$100 million. Stock companies apparently will have more than 200,000 losses, and the mutuals more than 125,000. More than 500 adjusters have been imported into the affected areas.

More States Okay Interbureau Policy

South Carolina has approved the comprehensive dwelling policy effective Oct. 13, Louisiana effective Sept. 13, and Rhode Island effective Oct. 1. The filings are made by the fire rating bureaus of the state on recommendation of Interbureau Insurance Advisory Group and by Inland Marine Insurance Bureau and National Bureau of Casualty Underwriters.

American Title & Ins. Co., Baloise Fire and Equity General, the Joseph Weintraub group, have joined Interbureau

Rhode Island has approved the filings Mutual Bureau makes in connection with CDP.

and Frank Cain, chairman, and Hubert E. Ross, president of Home Service, will retain their positions. Charles L. Cofer, president of Great National, has not announced his future plans. The merger would be accomplished through a one-for-one exchange

Home Service Casualty is the company that made a move to take over General American Casualty of San Antonio when that company was going tonio when that company was going through receivership hearings. Mr. Ross planned a stock subscription in Home Service of \$1½ million, but later withdrew his offer because he said he could not run the risk of jeopardizing his policyholders.

389 Buckeye Union Agents Treated to **Great Lakes Cruise**

A total of 389 agents and 50 officials, managers and associates were entertaind by the Buckeye Union group last week with a five-day cruise on the Great Lakes. The vacation began in Toledo Saturday when the group left NAIA Accident Safety by special train for Chicago.

The S. S. South American was chartered for the cruise, which included stops at Muskegon, Milwaukee, Green Bay, Escanaba, Mackinac Island and

The trip culminated an eight-month production campaign, which included all lines written by the Buckeye Union companies. During the contest, production of Buckeye Union Casualty totaled \$12,422,968, an increase of 18%, and production of Buckeye Union Fire totaled \$3,816,509, an increase of 19.2% over the corresponding period of the previous year. Active in the planning of the event was Frederick E. Jones, president of the companies, with S. W. Schellenger, agency superintendent, in charge of arrangements.

EMPIRO Public Hearing Held in North Carolina

The comprehensive dwelling and homeowners policies A and B offered by Multiple Peril Insurance Rating Org. and North America's homeowners policies A and B met no opposition in the public hearing before Commissioner Gold of North Carolina at a public hearing. About 40 agents and company

Both organizations contend they are legal under the present statutes and they would submit briefs backing their contentions. The commissioner said he would allow them a reasonable time to do so before making his decision.

He raised no similar question concerning the comprehensive dwelling policy filed by North Carolina Fire Insurance Rating Bureau, National Bureau, Mutual Bureau, Inland Marine Insurance Bureau, and Transportation Rating Bureau.

The comprehensive dwelling policy was outlined by Harry F. general manager of Interbureau Insurance Advisory Group. EMPIRO's plan was described by Roy C. Mc-Cullough, manager, and J. Barrows, controller of American Surety. North America's plan was presented by W. Perry Epes of the company's legal department, H. R. Heilman, vice-president, and L. H. Longley-Cook, actuary.

Committee to Try New Approach at Chicago

The accident prevention and safety committee of National Assn. of Insur-ance Agents, of which Sidney Nelson of Racine, Wis., is chairman, will have no formal part in the program of the National association meeting in Chicago the first week in October, but instead will have a headquarters room in which there will be on display examples of promotional material used successfully by agents in promoting the safety theme.

The accident prevention committee of NAIA has in the past been relegated to a rather unfortunate spot in the program, usually the morning after the banquet or in the afternoon dur-ing the World Series broadcast, with the result that attendance has been far below par. It is hoped that by maintaining a headquarters room with interesting material at hand, a good many agents will take the opportunity to discuss safety ideas with the commitmembers.

Mr. Nelson, incidentally, this week attended the traffic and transporta-tion conference of National Safety Council at Chicago for two days.

Governor Dewey has appointed Dr. men attended the hearing.

Mr. Gold advised EMPIRO and
North America that there is some legal question concerning their policies of Syracuse, which expires Dec. 31.

Got a glass replacement problem? It's no problem . . . not if you call MOhawk

MOhawk 4-1100

4-1100 and put AMERICAN GLASS to work on it. As soon as you put the phone down your worries are over. One of our fleet of trucks-manned by crews who have years of glass replacement experience behind them—is on the way to give you and your assureds the type of service that satisfies. Prompt, dependable service, the kind that has made AMERICAN GLASS a leader in Chicago's glass replacement industry. Next time, save time and money—call AMERICAN!

Day or night, rain or shine, American Glass is waiting to serve you. Call for a simple board-up or a large display window replacement—same courteous service!

CALL MOhawk 4-1100

Members of the Chicago Association of commerce

I. M. Beris, President

Members of the Chicago Better **Business Bureau**

1030-42 NORTH BRANCH STREET CHICAGO

"Recognition Merited by Our Service"

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NORTH AMERICAN

CASUALTY AND SURETY

REINSURANCE CORPORATION

161 EAST FORTY-SECOND STREET NEW YORK 17, N. Y.

> DOWNTOWN OFFICE 80 JOHN STREET, NEW YORK 38, N.Y.